



Daily Report

East Europe

FBIS-EEU-94-120
Wednesday
22 June 1994

Daily Report

East Europe

FBIS-EEU-94-120

CONTENTS

22 June 1994

NOTICE TO READERS: All material in this volume previously disseminated in electronic form.
An Ω indicates a Foreign Media Note.

BULGARIA

Court Issues Ruling on Berov Resignation Case [Sofia Radio]	1
OPT's Zadgorski Views Alliance With BSP [NOVINI 5 16 Jun]	1

CZECH REPUBLIC

FNM Board Questions Jezek Resignation [LIDOVE NOVINY 18 Jun]	2
Klaus Answers Questions on Topical Issues [LIDOVE NOVINY 17 Jun]	2
Report Outlines Weaponry Destruction Process [RUDE PRAVO 16 Jun]	3

SLOVAKIA

Military Agreement Signed With France [Bratislava Radio]	4
SDL Leader Views Party's Relations With ZRS [NARODNA OBRODA 18 Jun]	4

HUNGARY

Trade Union Leader on Relations With MSZP [FIGYELO 19 May]	5
Progress in Deportation Talks With Slovakia [MAGYAR NEMZET 21 May]	8
Electoral Commission Head on Campaign, Voting [NEPSZABADSAG 9 May]	8
Police Report: No Foul Play in Horn Crash [NEPSZABADSAG 21 May]	9

POLAND

Deputy Prime Minister Cited on U.S. Visit [Warsaw Radio]	11
Clinton Visit Considered Summit Opportunity [GAZETA WYBORCZA 22 Jun]	11
Ministerial Reform Rejected; Olechowski 'Angered' [GAZETA WYBORCZA 22 Jun]	11
Deputies Demand Family Planning Implementation [Warsaw Radio]	11
Roundup of 19 June Local Election Results [GAZETA WYBORCZA, etc.]	12
Several Constitutional Drafts Considered [GAZETA WYBORCZA 22 Jun]	13
Armed Forces Command Structure Reviewed [WPROST 17 Apr]	14
Difficulties in Grain, Meat Industries Viewed [NOWA EUROPA 25 May]	14
ΩUD, KLD Unite in Freedom Union [GAZETA WYBORCZA, etc.]	15

ROMANIA

Havel Arrives on State Visit to Bucharest [Bucharest Radio]	18
Meets With Iliescu, Vacaroiu [Bucharest Radio]	18
Addresses Bucharest News Conference [Bucharest Radio]	19
Romanian, Czech Officials Discuss Minorities [Bucharest Radio]	19
Opposition on Efforts To Impeach Iliescu [Bucharest Radio]	20
PDAR Chairman Discusses Censure Motion [Bucharest Radio]	20
Commentary Sees 'Dissolution of Opposition' [EVENIMENTUL ZILEI 17, 18 Jun]	21
Officials Warn Against Discrimination by NATO [Oslo AFTENPOSTEN 18 Jun]	23
UVR Seeks Educational Rights for Minorities [Bucharest Radio]	24
Defense Official Assesses Security Documents [CURIERUL NATIONAL 13 Jun]	24

BOSNIA-HERZEGOVINA

Republican, Federal Assemblies To Meet 22 Jun [Sarajevo Radio]	27
Assembly Session Opens Behind Closed Doors [Sarajevo Radio]	27

'Sources' Name Croatian Candidates for Posts [VJESNIK 20 Jun]	27
UN Spokesman on Blocking of Aid Convoys [AFP]	28
Serbs Reportedly Attack Zavidovici, Brcko, Bihac [Sarajevo Radio]	28
Three Die in Serbian Shelling of Travnik [Sarajevo Radio]	29
Muslims Accused of Shelling Doboj, Teslic [TANJUG]	29
Army Attack on Doboj, Teslic Reported [Belgrade Radio]	29
Muslims Reportedly Attack in Ozren, Teslic [Pale Radio]	29
Abdic Forces Reported Repel Army Attacks [TANJUG]	30
Army Receiving 'Large Amounts' of Weapons [AFP]	30
Exchange Agreed To Aid Search for Dead, Missing [Zagreb Radio]	31

CROATIA

Defense Council on Tudjman's Bosnia Visit [Zagreb Radio]	32
Tudjman Discusses Views on Serb Issue [POLITIKA 29 May]	32
Resolution on Serb 'Terror' for United Nations [Zagreb Radio]	33
Valentic Stresses Territorial Integrity [SLOBODNA DALMACIJA 20 Jun]	33
Commander Pledges To 'Expel Enemy' [SLOBODNA DALMACIJA 20 Jun]	34
Tudjman Calls For End to 'Party Bickering' [Zagreb Radio]	34
Trieste 'Neofascists' Invite RSK's Mikelic [VECERNJI LIST 21-22 Jun]	35
Official Views Bosnian Refugee Situation [OSLOBODJENJE 10 Jun]	35
Canadian Soldier Killed, 2 Wounded by Mine [Montreal Radio]	37

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Serbs Hold Army Officer Overnight [VECER 21 Jun]	38
Foreign Ministry Calls For Talks With FRY [MILS-NEWS 22 Jun]	38
U.S. Deputy Chief of Staff Arrives in Skopje [MILS-NEWS 22 Jun]	38
Gligorov: Census Necessary for Building Future [VECER 21 Jun]	38

SLOVENIA

Rina Klinar Appointed New Labor Minister [Ljubljana Radio]	40
Christian Democrats Agree To Consolidate Party [SLOVENEK 20 Jun]	40
SKD Secretary General Withdraws Resignation [SLOVENEK 21 Jun]	40

YUGOSLAVIA

Federal

Popovski Denies FYROM Borders Violated [BORBA 21 Jun]	41
Jovanovic Criticizes UN Policy in Crisis [TANJUG]	41
Albania 'Forcibly' Resettling Serbs, Montenegrins [TANJUG]	41
Problems of Two-Member Federation Discussed [POLITIKA 7 Jun]	42
Kontic Says No Devaluation, No Inflation [TANJUG]	43
Steady Rise in Industrial Output Reported [TANJUG]	43

Serbia

Milosevic Condemns 'Biased Media Reports' [TANJUG]	43
Problems With Ownership Transformation Viewed [POLITIKA 7 Jun]	44

Montenegro

Djukanovic Assesses Sanctions After UK Visit [TANJUG]	44
---	----

Kosovo

Trial of 14 Albanians Resumes [KOSOVA DAILY REPORT 21 Jun]	45
--	----

Vojvodina

Government Blamed for VMDK's Internal Crisis [Budapest Radio]	45
---	----

Court Issues Ruling on Berov Resignation Case

AU2106155294 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 21 Jun 94

[Text] The Constitutional Court reviewed the case initiated by 49 people's deputies of the Union of Democratic Forces [SDS] in connection with the parliament's vote on the structural changes proposed by the prime minister on 20 May. Constitutional Court Judge Aleksandur Arabadzhiev reports the court's decision:

[Begin Arabadzhiev recording] The prime minister has no constitutional obligation to submit his cabinet's resignation when the National Assembly rejects one of his proposals to establish new ministries or make changes in the membership of the cabinet. [end recording]

The prime minister has to resign when the National Assembly votes no-confidence in the cabinet or in him personally, or when the cabinet does not receive the vote of confidence it had demanded. The rest, Mr. Arabadzhiev added, is a matter of political culture and tradition.

OPT's Zadgorski Views Alliance With BSP

AU2006135394 Sofia NOVINI 5 in Bulgarian 16 Jun 94 p 8

[Interview with Dobromir Zadgorski, chairman of Nationwide Committee on Defense of National Interests, by Vanya Kamburova; place and date not given]

[Text] [Kamburova] Mr. Zadgorski, in the declaration of the Fatherland Party of Labor [OPT] you expressed the opinion that you will appear in an alliance with the Bulgarian Socialist Party [BSP] in the next elections also. How do you view the decisions of the 41st BSP Congress in this context?

[Zadgorski] The 41st BSP Congress definitely took place in a democratic spirit. There was a very constructive change at the congress—the rejuvenation of the Supreme Council and the consolidation of the line according to which the BSP is led by young people. The election of Zhan Videnov as party chairman proves that the young cadres in the BSP are finding their place in the party's front ranks ever more. The congress gave carte blanche to the young members, and this is very good. We are especially satisfied with the decision on the early elections and the decision that denounces the Turkicization in the mixed population regions.

[Kamburova] How do you forecast the next elections?

[Zadgorski] Some 200,000 voters are behind us. Our organization is very strong in the six mixed regions. We have very strong positions in Varna, Dobrich, Ruse, and Veliko Turnovo. In Turnovo, for example, we have six

city councillors. I definitely think that the coalition will win the election, and I will even take a risk and make a direct prophecy—we will be 10-15 percent ahead of the Union of Democratic Forces [SDS]. We have a total of 90 municipal councillors in about 30 cities and three deputies in the National Assembly. We think that our presence will grow after the new elections. I consider it very important that the BSP supports our views regarding the national interests. We are not allies in the literally sense of this word. We only formed a preelection alliance, which gives us the right to independence in adopting our decisions. We worked and will continue to work in a collegial manner in the parliament, and will continue to give priority to our national interests.

[Kamburova] Is there democracy in adopting decisions in the Parliamentary Union for Social Democracy [PSSD]?

[Zadgorski] Yes, the BSP does not impinge upon our right to adopt independent decisions. Our contradictions were related exclusively to issues regarding the cabinet of Professor Berov, because it was formed with the mandate of the Movement for Rights and Freedoms [DPS]—a movement we do not recognize. We consider it an anti-Bulgarian movement. We voted against the government in all the no-confidence votes. We only supported the Budget Bill, because we thought that our country needs it. Those are no contradictions with our colleagues in the PSSD, but only different views. In all other cases we were united—for example, the Yakoruda case, the UN corridor, Bulgaria's neutrality in the events in former Yugoslavia, and so forth.

[Kamburova] What difficulties does your party have in regions with a mixed population?

[Zadgorski] They spring first of all from the local administrative power, which is in the hands of the DPS. It does everything possible to assert itself among people of Bulgarian origin. Competent people are being fired and this is explained by pseudo-national interests. Our categorical objection is in this sphere. We also have problems with the "Dogan Law," but we try to protect the Bulgarians even in this sphere, naturally, without violating the interests of others.

[Kamburova] What is the influence of the DPS in those regions at the present moment?

[Zadgorski] The influence of the DPS in those regions is decreasing in a catastrophic manner. Even if the present Election Law with its 4 percent barrier remains, I think that they will have serious difficulties. The false nature of the interests of this movement's leaders was already grasped by the population. Some voted "with their feet," and left for Turkey. Others are bitterly disappointed, and they will not support the DPS. Yet others have lost their confidence and they will simply not vote.

FNM Board Questions Jezek Resignation

AU2206104094 Prague LIDOVE NOVINY in Czech
18 Jun 94 p 1

["(mst)"-signed report: "Grave Reservations About Jezek's Resignation"]

[Text] Prague—Yesterday, the National Property Fund (FNM) Supervisory Board adopted a resolution in which it called upon the FNM Presidium to state the reasons for the resignation of the Fund's former chairman, Tomas Jezek, and the recall of his two deputies—Jan Prince and Jindrich Kapoun.

Supervisory Board Chairman Pavel Safarik told reporters that his body does not see sufficient justification for the appointment of Roman Ceska as the new chairman of the FNM Executive Council. The argument that, due to the appointment of the deputy privatization minister as the Fund's chairman, there will be better interlinking between the Privatization Ministry and the FNM, seems inadequate to them. In the opinion of the Supervisory Board, these two institutions were already in close contact prior to the recall of T. Jezek.

"The conflict of interests that led officially to Tomas Jezek's resignation also relates to Roman Ceska," states the resolution. The Supervisory Board also stated that the course of action adopted by the Fund's Presidium in the recall of Tomas Jezek and his two deputies damaged relations between the privatization bodies and, as a consequence, may even endanger the entire course of privatization.

Jan Klak, a member of the Supervisory Board, declared that the Supervisory Board will demand that the Fund's Presidium, which is chaired by Privatization Minister Jiri Skalicky, airs its views immediately on the board's resolution. If its response is inadequate, the Supervisory Board is prepared to turn the matter over to parliament and the government. Speculation that parliament could recall the Fund's Presidium was described as premature by Safarik.

In reply to a question on what he thinks of the Supervisory Board's resolution, FNM Chairman R. Ceska said that he had not been informed of the contents of the board's meeting and refused to comment. He said that he was not directly involved in the recall of T. Jezek and that it would vex him if this were to lead to a tense situation between him and the Supervisory Board. He said that on Friday [17 June] morning he had asked the Supervisory Board to help him resolve the situation in the FNM in a calm manner. In reply to a question from LIDOVE NOVINY regarding the state of the FNM when he took over from T. Jezek, R. Ceska said: "There are certain problems of a more serious nature here and they will not be resolved by waving a magic wand."

[The same newspaper on the same date on page 3, under the headline "Skalicky Is Standing Behind Ceska," carries a 300-word CTK and "(il)"-signed report on Privatization Minister Jiri Skalicky's reaction to the resolution adopted by the FNM Supervisory Board. According to the report, Skalicky "does not understand the formulation" according to which the board "does not see sufficient justification for the appointment of Roman Ceska as the new chairman of the FNM Executive Council." He said that "he is prepared to inform the Supervisory Board in detail of the reasons for this step" and added that the FNM Presidium had tried "to ensure that the necessary changes in the FNM's management were not made in an atmosphere of emotion and mutual recrimination. Therefore, the Presidium's members did not inform the public of the circumstances of Tomas Jezek's resignation."]

Klaus Answers Questions on Topical Issues

AU2106143094 Prague LIDOVE NOVINY in Czech
17 Jun 94 pp 1,3

[Interview with Prime Minister Vaclav Klaus by Eva Martinkova; place and date not given: "To This Day, I Have Heard Nothing About Any Faction"]

[Text] [Martinkova] You have said that you know nothing about any faction within the Civic Democratic Party [ODS]. Do you accept the possibility that a faction could evolve sometime in the future? Would you perceive it as a threat to the party's integrity?

[Klaus] To this day, I have really heard nothing about this; I have only read about it in LIDOVE NOVINY. Neither myself nor the ODS leadership have yet come across another member of this so-called faction. I also do not know how to interpret the word faction in this context. The fact that various people in the same political party have different views on the privatization of CKD [engineering plant], on the privatization of Homolka [Prague hospital], or on the size of the higher self-administration units is simply logical, and I think that it would be unnatural if this were not the case. Should the consequence of this be that a political party will become divided? It does not seem to me that this would lie ahead of us.

Let us define the word faction. Is this, perhaps, a small group of people that is concerned more about restitution in agriculture than any other small group? The fact that this small group meets more often and has a more trenchant point of view on this issue than the rest of the ODS is absolutely logical. The word faction seems to me to be unnecessarily strong and has a certain cautionary tinge for me. If we are talking about groups of people with a different emphasis on different things, then this certainly is not a faction. We have always had strong agricultural and ecological groups and a group dealing with railroad transportation within the ODS. I would consider this to be natural and normal.

[Martinkova] The statistics for the first four months of this year point to a slight decline in industrial output. The result should be rising unemployment. It, however, is falling. How do you explain these two contradictory trends?

[Klaus] How can these two contradictory figures be made compatible by means of an explanation? This is just what I have been talking about in Nove Straseci at a meeting with 80 labor office managers. The explanation is very simple. There is a third quantity, a third angle, the data entered into the column headed labor force, that is, how many people there are at a productive age. The level of employment or unemployment is gauged on the labor force, not on the size of a country's population. If there is a voluntary decline in employment, then unemployment does not rise. To put it very simply—if the wives of well paid businessmen leave work to take care of their families, this is projected into a decline in employment without an increase in unemployment. The participation level, which is the percentage of employed per number of inhabitants, was 51.2 percent in 1989. It then fell from year to year. The preliminary figures for 1993 suggest 45.8 percent. That is, a decline by more than 5 percentage points. If you carry this over into quantitative figures, then this means that there are roughly 500,000 citizens who are not now employed, but do not regard themselves as unemployed. Otherwise, they would be looking for work, they would be applying for support, and unemployment would—obviously—be far higher, in fact three times higher.

[Martinkova] Your wife has become a member of the CEZ [Czech Energy Enterprises] board of directors. Are you not concerned about accusations of a conflict of interest?

[Klaus] I am concerned about accusations from all possible sides and about everything that I do and do not do. This is one of those accusations in which I am absolutely innocent and about which I have nothing to say. To this effect, I have to say that my wife is a capable, independent individual. She is an economist, she is an expert in finance, indeed, she has been dealing with these issues the whole of her professional life and I have nothing else to say about this. If the kind of articles that have now appeared continue to crop up, she will be the one who will feel discriminated against as a citizen of this country and she will ask whether she deserves to be discriminated against in her professional life because she is the prime minister's wife.

Report Outlines Weaponry Destruction Process

AU2106114494 Prague RUDE PRAVO in Czech
16 Jun 94 p 2

[CTK report in the "By Telex" column]

[Text] The destruction of 167 Czech Army artillery systems has been confirmed by a Danish inspection team. This information was released on Wednesday [15 June] by the Defense Ministry Press Department. In accordance with the Treaty on Conventional Armed Forces in Europe, 813 of the 1,062 tanks; 775 of the 1,032 armored combat vehicles; 778 of the 1,293 artillery systems; and 36 of the 50 combat aircraft have been destroyed in the former CSFR, and subsequently in the Czech Republic, since 17 August 1992.

Military Agreement Signed With France

*LD2106154894 Bratislava Rozhlasova Stanica
Slovensko Network in Slovak 1500 GMT 21 Jun 94*

[Text] In Paris today, Slovak Defense Minister Pavol Kanis, who is visiting France for a day, signed an agreement on military cooperation between the two countries with his French counterpart, Francois Leotard. The agreement does not mention joint military exercises. According to Kanis, the new agreement is a continuation of cooperation between the two nations during the liberation of France and Slovakia in World War II.

Leotard promised to take part in the celebrations of the Slovak National Uprising in August.

SDL Leader Views Party's Relations With ZRS

*AU2206094194 Bratislava NARODNA OBRODA in
Slovak 18 Jun 94 p 3*

[Interview with Peter Weiss, chairman of the Party of the Democratic Left, SDL, by Julius Gembicky; place and date not given: "It Will Not Be Weiss From Whom Luptak Will Take Away the Biggest Slice of the Electoral Pie"]

[Text] The day before yesterday, we published an interview with Party of the Democratic Left [SDL] leader Peter Weiss. An interesting passage regarding the composition of [Jan] Luptak's Association of Workers of Slovakia [ZRS] was left in Julius Gembicky's notebook. It would be a pity not to print it.

[Gembicky] What are the reactions to the growing distance between two related entities, the SDL and the ZRS, particularly in central Slovakia, which is the ZRS's stronghold?

[Weiss] Everyone knows that the SDL has not given a final no to cooperation with the ZRS within the framework of a coalition, even though it was the SDL Executive Committee that had actually founded this party. We wanted it to be a professional civic organization that would analyze workers' problems and communicate them to parliament. ZRS Chairman Jan Luptak seems to have different ideas, however. What is the ZRS, actually, and what does it represent? According to a representative sociological survey of March 1994, as many as 30 percent of ZRS supporters had previously been Movement for a Democratic Slovakia [HZDS] supporters; 12 percent had been SDL supporters; 6 percent had been Social Democratic Party in Slovakia supporters; 8 percent had previously supported the Slovak National Party, the Christian Democratic Movement, and the Hungarian parties; and 4 percent had been supporters of the Democratic Party. In other words, the ZRS is a manifestation of workers' discontent with all parties, and it is not just a problem for the SDL, as has sometimes been argued. After all, only 25 percent of ZRS members subscribe to left-wing values. We have never underestimated the importance of the workers movement, but we have always refused to follow the path of outdoing one another in unrealistic promises.

Faced with glances full of expectations, whether it was in Spisska Nova Ves or at a meeting with female textile workers of the Lykotex Revuca company, we never yielded to the politician's temptation to proclaim in loud voice: We are going to resolve everything, we will guarantee your jobs. We want to do it, but not by means of cheap promises. But our offer of postelection cooperation with the ZRS is still on the table.

Trade Union Leader on Relations With MSZP

94CH0284A Budapest FIGYELO in Hungarian 19 May 94 pp 15-17

[Interview with Sandor Nagy, chairman of the National Federation of Hungarian Trade Unions and Hungarian Socialist Party member of the National Assembly, by an unidentified correspondent; place and date not given]

[Text] [FIGYELO] How much of the success of the MSZP [Hungarian Socialist Party] in the elections to date do you attribute to its agreement with the MSZOSZ [National Federation of Hungarian Trade Unions]?

[Nagy] That of course would be difficult to calculate. But it would be meaningless to speculate about this if for no other reason than because the trade unions are the natural allies of a party that is pursuing social democratic values. If you were to ask me what would have happened to the MSZP without the trade unions' support, that would be the same as asking me what would have become of the MSZP if it had not started as a social democratic party in the elections?

[FIGYELO] In 1989 the MSZOSZ still defined itself as a trade union movement that stood above fights between political parties. Why has the MSZOSZ altered its standpoint?

[Nagy] Many people believe that this is the final resolution of an alliance, formed of necessity, between two organizations forced into quarantine in 1990. But that is not how things stand. Actually, what has changed is the situation rather than our standpoint. It was normal for us to distance ourselves from the elections and political parties during the change of political systems. But now we are speaking about the possibility and necessity of changing governments. What kind of government comes to power cannot be indifferent to the trade unions.

[FIGYELO] In the autumn of 1993 you people regarded an election alliance conceivable not just with the MSZP but also with the NDSZ [National Democratic Association] and the Agrarian Alliance. But not with the SZDSZ [Alliance of Free Democrats], the most likely coalition partner of the MSZP. How will you fit into a governing coalition that advocates two liberal economic policies?

[Nagy] On this I am able to express only my own personal opinion, which does not play a role in the MSZP's choice of a coalition partner. Nor would it be right if it did play a role.

As a trade union leader, I would not welcome a government economic policy that could be described by a single adjective, as liberal. Simply put, it would mean that the strong maintain their footing while the weak go under. If thinking in terms of shock therapy were added to all this, that would lead to conflicts. In my opinion, incidentally, the economic policy of the MSZP is characterized not so much by liberalism as by pragmatism.

[FIGYELO] I assume that your acceptance of the MSZP's economic policy concept, which bears the hallmark of Laszlo Bekesi's name and is of a liberal nature after all, was also a condition of your nomination by the MSZP as a candidate for a parliamentary seat.

[Nagy] I have already declared on several occasions that this program—together with its associated employment, social policy, and other programs, of course—is readily acceptable to the trade unions. At the same time, nobody has demanded of me that I, on behalf of the trade unions, endorse every line of this program and thereby give the future government what amounts to a blank check.

[FIGYELO] In the end the MSZP adopted the fifth version of the Bekesi program. To what extent are the changes in the final version a result of the agreement between the MSZP and the MSZOSZ?

[Nagy] We did not take part in the program's substantive elaboration, but our views were well known to the leadership of the MSZP. In the course of the debate within the MSZP, wording more agreeable to us as well were included in the program. The final version, for instance, is socially more sensitive to the problems of the strata in the worst possible situation, and it regards the reduction of unemployment as a direct objective.

[FIGYELO] What do you think? Will the majority within the MSZP parliamentary group hold opinions closer to your own or to Bekesi's?

[Nagy] I would be unable to assess that, and I do not know what others are thinking. But on certain questions—and here I have primarily the social problems in mind—I would not be surprised to see a majority holding views closer to my own. Otherwise our relations with Bekesi are proper; we hold consultations regularly, and also debates when necessary.

[FIGYELO] During the election campaign Gyula Horn frequently advanced the argument that shifting the transformation's burdens onto wage and salary earners could not continue. You yourself said that workers have had to pay an inordinately high price for the transformation. It suggests that this is something the new government could remedy quickly, whereas spending at the expense of growing internal and external debt and the long-continuing squandering of assets have also meant the squandering of our future, which makes illusory the promise of maintaining the level of real incomes in the coming years.

[Nagy] Nobody is promising a quick turnaround. We know very well that it is not possible to aim for practically full employment and a slower rate of inflation in the short term. It is particularly tragic that, to a large extent, the population's sacrifices have been in vain, because in the end the outgoing government has failed in the fiscal and monetary sphere as well. Everyone knows that difficult years are ahead. Nowhere do I find any expectations of a miracle.

[FIGYELO] Do you agree with Laszlo Bekesi's statement that, under the conditions of the present crisis, social democratic answers to the problems are not possible?

[Nagy] Yes. This period is not conducive to social democratic values, but they must be upheld nevertheless. The most serious social problems have to be remedied.

[FIGYELO] Do you accept that halting the rapid worsening of the budget deficit and its subsequent improvement will be the principal task in the coming years?

[Nagy] Perhaps this is the correct formulation in view of the sequence of the tasks. But it would be more to my liking to say that we must strive simultaneously to create the conditions for a balanced budget and economic recovery, to reduce unemployment, to roll back inflation, and to manage our social problems. Or more accurately, to optimize these partially conflicting objectives.

[FIGYELO] According to Laszlo Bekesi, budgetary reform would be accompanied by a reduction of real incomes, by 4 or 5 percent a year over a period of three years, and about half of this reduction could be offset. What do these figures mean to you?

[Nagy] According to the MSZP's economic policy program, budgetary reform would have to be accompanied by compensation for most members of society. If the government found that this was not feasible, it would have to negotiate with the trade unions. It is still too early to speak of numbers. But we certainly think it will be essential to halt the decline of wages within the foreseeable future, and to raise the real value of the smallest pensions, even in the short term.

[FIGYELO] All the present opposition parties are against the current consolidation of banks and debtors, or rather the manner in which this is being done. How does the MSZOSZ feel about this?

[Nagy] We are convinced that the rescuing of some enterprises is warranted. Consolidation should have begun sooner. But the state cannot make a practice of using taxpayers' money to rescue, time and again, the firms that get into trouble. In our opinion, the way to reconcile these two requirements is to complete the privatization of the banks as soon as possible. Then it will be in the banks' best interest to choose the solutions that will be the most suitable also in the long run. These solutions, of course, will vary by enterprises. In other words, we too oppose the present state-administrative mechanism of decisionmaking.

[FIGYELO] Last fall the MSZOSZ published its standpoint on privatization in which it demanded first of all that closer attention be paid to considerations of employment. Does the MSZOSZ really believe that disguised unemployment has already ceased at the enterprises about to be privatized, and structurally they already

meet the market's requirements? In other words, that layoffs at these enterprises can be avoided?

[Nagy] We oppose the present practice of privatization that strives for maximum proceeds—which, incidentally, are then squandered—and does not care what happens to the enterprises after privatization. Therefore, we believe, preference should be given to buyers who guarantee to maintain the level of employment and to raise the capital.

[FIGYELO] On the one hand, I do not believe that buyers paying cash are not interested in the enterprises' efficient operation in the future. On the other hand, I feel that the wider employee stock ownership, which the MSZOSZ has also been demanding, is in conflict with your concern for the enterprises' future. After all, workers usually do not have money to invest, and delaying necessary layoffs could drive the entire firm into bankruptcy.

[Nagy] It would be a misconception to conclude from MSZOSZ support for employee stock ownership programs that the MSZOSZ believes in employees' holding a majority interest. We think it is more important that the firm be in good hands and the workers hold well-paying jobs than that they become owners. At the same time we believe that it would be expedient if also representatives of the industrial union concerned were present when privatization decisions were being made. Even the mutual exchange of information could avoid many misunderstandings.

[FIGYELO] Don't you think that insistence on transferring state assets to Social Insurance should cease? On the one hand, a large proportion of state assets earns hardly any income. On the other hand, Social Insurance would not be a good owner because of its inability to raise capital and its incentive to extract as much profit as possible.

[Nagy] Professional investors abroad welcome union pension funds, for instance, as co-owners of equity. Social Insurance's short-term paucity of cash unquestionably creates a contradictory situation. All these problems should be thought through in the bill on Social Insurance.

[FIGYELO] In your dual capacity as trade union chairman and Social Insurance officer, you must have had opportunity to enjoy the pleasures stemming from the contradictions between being a ruling-party member of parliament and holding trade union office. As trade union chairman, you should be demanding the reduction of social insurance contributions, which entrepreneurs particularly find detrimental and which are an especially serious obstacle to job creation in the regular economy. But as an officer of Social Insurance, you have an interest in increasing its revenue, from which benefits are paid. To resolve this contradiction, the MSZOSZ has invented a solution that has been aired in the media,

namely to offset the reduction of social insurance contributions by reallocating tax revenues. To my mind, that is merely juggling.

[Nagy] The contradiction you mentioned exists only partially, and there is an answer also to the dilemma of reducing social insurance contributions. The contributions are so high at present because willingness to pay the contributions is very low. Social Insurance has a substantial amount of contributions owed in its receivables, and many people are working in the underground economy. The next government should have the determination to declare war on the underground economy, although in a civilized manner. In that case the burdens on the regular sphere would be reduced. It is intolerable that many private entrepreneurs are employing even the best skilled workers merely for minimal wages. It is conceivable that in the future the amount of the employees' contribution fund will be determined on the basis of empirical data gathered in the given industry. Health insurance is where I regard as feasible the offsetting of lower contributions with tax revenue, on the principle of universal entitlement to health care.

[FIGYELO] In recent months, both the present opposition and the MSZOSZ expressed support for concluding an economic and social pact. Do you think there is any difference in the topics on which the individual organizations wish to reach agreement?

[Nagy] At present we are able to speak only of initial and rather tentative intentions. Obvious topics will be all the economic problems we have already mentioned: nominal wages and pensions, inflation, taxes, the burdens of budgetary reform, the development of social entitlements, and of real wages and incomes that can be predicted over a horizon of several years. The MSZOSZ also has objectives on which others perhaps are not laying so much stress. These objectives include laying down the statutory and legal conditions for the current reconciliation of interests, and the trade unions' operating conditions. These are not primarily financial issues. In parliament, for instance, a receiving and transmitting station ought to be established for agreements on the reconciliation of interests. To this day there is no parliamentary committee that could link with parliament's work the information circulating within the system of labor relations. There is also a need to develop the conditions for negotiating agreements at the intermediate—i.e., industry—level; such agreements barely exist at present. But if a country attaches importance to properly functioning trade unions, then I think it is conceivable that the trade unions could be granted tax exemptions for publishing newspapers, and for their hotels or commercial office buildings.

[FIGYELO] Do I understand you correctly? Is the MSZOSZ demanding the expansion of the influence of the trade union apparatus, in exchange for the trade unions' self-restraint, the extent of which is, of course, open to bargaining?

[Nagy] There is no question of that at all, because one is not a substitute for the other. We obviously have to represent the employees' interests first and foremost. The operating conditions stem from the trade union movement's participation in the reconciliation of interests, and related considerations rank only second, but they too are important.

[FIGYELO] It is conspicuous that the militant job actions in recent months—the locomotive engineers' strike, and aviation mechanics' strike—were organized by unions that do not belong to the MSZOSZ.

[Nagy] These strikes were staged in small, closed trades capable of asserting their interests effectively. The workers in these trades belong to either the League [Democratic League of Independent Trade Unions] or the Autonomous Trade Unions. In light of this, I am especially surprised, and occasionally slightly offended or perhaps bemused, to hear ourselves accused of demagoguery. During the past four years, in a period of rapidly rising unemployment and continually declining real wages, MSZOSZ policy has remained unchanged. We will continue to seek the most sensible solutions, within the limits of economic reality.

[FIGYELO] In the absence of exact criteria, I suspect, trade union leaders are doomed to being accused constantly of either demagoguery or capitulation. In the open reconciliation of interests, nevertheless, there can be a role also for the views of trades, and for the various groups within society that have contrasting interests. But many people fear the intertwining of the MSZOSZ and MSZP in parliament because it offers an opportunity for bad compromises behind the scene, just as in the period of the party-state. Especially worrisome is the growing influence of the trade unions in lagging industries, because it could delay structural change.

[Nagy] Nobody is thinking of secret agreements. The point is specifically that, through the economic and social pact, the public can be initiated into the economy's real dilemmas and able to understand also the background of moves made under the pressure of necessity.

But this process also has its own psychology. The government must begin to reveal the situation with moves that demonstrate its own determination, such as putting an end to state squandering, unnecessary offices, and other expenditures. I realize that the resulting savings would be insignificant in comparison with the shortage, but they would demonstrate that the government is practicing what it preaches. The other urgent state task is law enforcement, the already mentioned action against the underground economy. If the government advances in these areas, it will have moral authority to ask even for further temporary belt-tightening, in view of the difficult economic situation. Straightforward talk and the government's new work method could liberate enormous energy. Under these conditions the trade unions could be ready and willing to conclude an honorable agreement.

Progress in Deportation Talks With Slovakia

94CH0286A Budapest MAGYAR NEMZET in Hungarian 21 May 94 p 2

[Text] Pozsony [Bratislava]—Vladimir Zhirnovskiy, chairman of Russia's Liberal Democratic Party, will not be visiting Slovakia this weekend after all. According to information received by the Slovak press, the reason for the cancellation of what had been scheduled originally as "a friendly tourist visit" was the situation that had developed in Russia. Zhirnovskiy and his associates regard that situation as too dangerous for the party leader to be absent for four or five days abroad.

Meanwhile, very significant confidence-building documents have been produced at the expert level, as a result of which a Deportation Treaty will be signed between Hungary and Slovakia in May (or at least the Slovak side so expects), and at least one border-crossing point will be opened. It has not yet been decided which of the three border-crossing points will be the one to be opened while the Boross government is still in office, but the signing of the Deportation Treaty has been decided, at least by the Slovak side.

A dispute arose between the two countries due to Slovakia's other deportation treaties, because they anticipated that Hungary would become the "reception center" for refugees. As a result of talks between experts, held in Budapest on 11 May, the contracting parties agreed to take back their own citizens in the normal way and to classify arrivals from third countries into three categories. It was already indisputable earlier that when citizens of a third country held residence permits or visas, the contracting parties were willing to proceed in accordance with international norms. In the case of persons staying illegally in the other country's territory, a refugee from a third country will be accepted back within 48 hours, even it can be proved that he had arrived from the contracting party's country, where he had likewise been staying illegally. This provision of the treaty goes beyond the customary treaties and presupposes an agreement that suggests good relations between the two countries. In the Slovak side's opinion, it is not necessary to wait with the signing of the treaty until a new government has been formed. That would be an unnecessary delay during the summer tourist season.

Electoral Commission Head on Campaign, Voting

94CH0271A Budapest NEPSZABADSAG in Hungarian 9 May 94 p 4

[Interview with Janos Nemeth, chairman of the National Election Commission, by Gy. Attila Fekete; place and date not given]

[Text] In an interview with NEPSZABADSAG, Dr. Janos Nemeth, chairman of the National Election Commission (OVV), has said that the political parties and their candidates, as well as independent candidates, would be wise to use the three weeks between the two rounds of voting to

introduce themselves to the voters and outline their programs to them in detail, instead of switching to a dirty campaign. According to the OVV chairman, the role of the electronic media in the campaign has risen since 1990. This explains in part the fact that the number of filed objections to the programs of Hungarian Television, for instance, has multiplied in comparison with the number filed four years ago.

[Fekete] In recent weeks the Supreme Court has reviewed on appeal several opinions of the OVV. At first the court set narrowly, and then ever wider, the limits within which the OVV could condemn violations. Would it not be more expedient if the OVV could issue not just opinions but also binding orders?

[Nemeth] With due consideration for the provisions of the law and the decisions of the Supreme Court, since its establishment the OVV has been seeking the legal instruments and other means through which it could express its opinion of conduct described or presented in various petitions. I know this is difficult to understand for persons whose background does not include legal training. The law assigned the OVV the task of safeguarding the fairness and legality of elections. At the same time, the legislators failed to give the OVV suitable instruments with which to enforce the Electoral Law. According to my experience, however, the very fact that the OVV's proceedings on every petition are open to the press, and that its opinions regularly receive full coverage in the press and on radio and television, is sufficient to deter violators from continuing to break the rules.

[Fekete] What happens when violators disregard the opinion of the OVV? Those who attempted to buy nomination forms have been arrested.

[Nemeth] Section 34, Paragraph 2 of the Electoral Law defines the jurisdiction of the OVV in specific cases. There you do not find any provision that would enable the OVV to penalize conduct aimed at "gaining an unlawful advantage," for instance. That, too, explains why we have never claimed that the Electoral Law, which is rather sketchy on procedure, is our very best piece of legislation.

[Fekete] You were OVV chairman also during the 1990 elections. In what respects are the 1990 campaign and the present one similar, and how do they differ?

[Nemeth] Four years ago the political parties had substantially less money for campaigning. This is evident also from the substantial increase in political advertisements in public places, in the press, and also on radio and television. In comparison with the 1990 campaign, the role of the electronic media has risen. It is no accident that the OVV has received substantially more complaints, objections, and notifications concerning Hungarian Radio and especially Hungarian Television.

[Fekete] What objections did the notifications contain?

[Nemeth] One group of notifications protested that Hungarian Television had refused to broadcast one or another political party's election program. But another group of notifications was not critical specifically of the election programs. In conjunction with the increased number of complaints against Hungarian Television, however, one must also realize that the country itself has become more politicized. People very often believe to perceive political overtones even in programs that have no political message whatever. On the whole, it seems to me, there was less rudeness in this election campaign than had been expected.

[Fekete] But most of the complaints critical of Hungarian Television's programs must have had some foundation. After all, the OVB recently called on Hungarian Television, Hungarian Radio, and the Hungarian News Agency to observe the provisions of the Electoral Law, and it warned them that the principles of fairness and impartiality must not be violated even in programs not related to the elections. Could you explain this somewhat Dodonian opinion?

[Nemeth] The Electoral Law specifies what the public service media are required to do during an election campaign, what kind of programs and announcements they are obliged to broadcast. Except in the case of election programs, however, the law contains no provisions regarding the conduct of Hungarian Television, Hungarian Radio, and the Hungarian News Agency. We drafted our exhortative opinion, for impartiality and fairness in the elections, on the basis of Section 26 of the Electoral Law.

[Fekete] For Hungarian Television, what would be the consequences of failure to change its programming policies, despite the OVB's warning?

[Nemeth] The OVB has no authority to impose a penalty on Hungarian Television. Should Hungarian Television's programs fail to conform to the OVB's opinion in the future as well, the political parties or voters could claim a violation.

[Fekete] Four years ago the campaign really degenerated only in the second round.

[Nemeth] I sincerely hope that will not be the case in 1994. The parties and their candidates, as well as independent candidates, would be wise to use the three weeks between the two rounds of voting to outline their programs in greater detail instead of discrediting each other. The voters will punish any candidate who conducts a dirty campaign.

[Fekete] Much of the time during the OVB's sessions is spent arguing whether the question that happens to be on the agenda is or is not within the commission's jurisdiction. Why is that?

[Nemeth] It would be unfair of me to blame everything on the Electoral Law's shortcomings. Parliament elected four members and the secretary of the OVB, and 15

members have been delegated by political parties running national lists. Some of the disputes stem from the political parties' contrasting interests. Naturally, it would be better if the OVB were following legally correct rules of procedure—say, rules contained in the Electoral Law itself.

[Fekete] Has it never occurred to the OVB to propose amending the Electoral Law and to draft a bill on electoral procedures? After all, the Electoral Law now in force has simply proved to be bad.

[Nemeth] I am unable to fully agree with your last comment. In my opinion, the Electoral Law's substantive provisions are not bad. It is the law's procedural part that has been left unfinished and is causing countless problems. The OVB does not have authority to draft legislative bills, and no one has requested it to do so. Of course, if the Interior Ministry or the Justice Ministry were to begin work on amending or further amending the new or amended Electoral Law, the OVB would gladly share its experience with the authorities concerned.

Police Report: No Foul Play in Horn Crash

94CI10286B Budapest NEPSZABADSAG in Hungarian
21 May 94 pp 1, 4

[Article by Gy. Attila Fekete: "It Was an Accident, According to the Police"]

[Text] Police Lieutenant General Sandor Pinter, national police commissioner, announced at his news conference that Gyula Horn, chairman of the Hungarian Socialist Party, suffered a traffic accident on 5 May, between Nyekladhaza and Emod on Highway 3. The police investigation has been unable to confirm rumors of foul play. After the news conference the defense attorney for Horn's driver said that the police had not ruled out foul play definitely.

As we have reported several times earlier, a Saab 9000 car (registration number DFG-070) transporting Gyula Horn from Miskolc to Budapest collided with a disabled IFA [Industrieverband Fahrzeugbau] truck that was parked in the left lane of the 159.7-km section of Highway 3, between Nyekladhaza and Emod. The occupants of the Saab were: Gyula Horn, chairman of the MSZP [Hungarian Socialist Party]; his driver Istvan Mosolygo; and Horn's bodyguard, retired Police Major Jeno Zsdei. All three suffered serious, but not life-threatening, injuries.

According to the official police report on the inspection of the scene of the accident, the disabled IFA truck had been parked in the left lane—relative to the direction in which Horn's car was heading—between 0.7 and 1.2 meters from the road's center line.

In his statement to the police, the truck driver said he had not parked at the side of the road to change tires because the truck was hauling 80 quintals of canned food, and he was afraid that the vehicle might overturn.

In addition, it would not have been possible to change tires on the road's soft shoulder. The technical experts confirmed the truck driver's arguments. They established that the truck did have a flat tire. In other words, the truck had not been positioned there intentionally for the subsequent accident. The tire on the right rear wheel of the truck's trailer had a 46-cm rip that had been caused by fatigue. By the weak light of a flashlight, the truck driver was just loosening the nuts on the wheel when the Saab crashed into the truck.

Two technical experts presented their findings at the news conference. They had established beforehand, in agreement with the Saab factory's experts, that the structural deformations of the car's body and frame indicated an absorption of kinetic energy equal to the energy generated by the car at a speed of 55 to 60 km per hour [kph], which in practice means that the damage was what would have occurred had Horn's car crashed into a concrete wall at a speed of 55 to 60 kph.

Of course, the truck's body likewise suffered serious damage in the accident, and the Saab's kinetic energy slowed down significantly also during the breakup of the truck's body. After impact, the car kept skidding for about 40 meters and then stopped. Technical expert Gabor Meleg concluded from all this that, at the time of impact, the car's speed must have been between 98 and 102 kph. Laszlo Vincze, the other expert, estimates that the car's speed must have been between 85 and 109 kph. The car was equipped with an automatic braking system; therefore it was impossible to determine at what speed the car had been traveling before impact, and whether and when the brakes had been applied before impact.

However, reconstruction of the accident on a computer excludes the possibility that the Saab might have been traveling substantially faster than 100 kph. At a speed of 140 kph, the car would have landed in the ditch on the right side of the highway, relative to the direction in which it was heading. The investigation determined that the Saab had just been returning from the left lane when a third of its front end crashed into the truck. The police were unable to explain why the Saab had been in the left lane. The highway along the given section was straight, and the possibility of drifting was ruled out. The police likewise found no clue indicating that somebody on the side of the road might have startled the car's driver, and that might have been the reason why he wrenched the steering wheel to the left and crashed the car. The police established that the flashes of light Jenő Zsidi mentioned in his statement may probably have been the glittering street lights in Emod.

The defense attorney for István Mosolygo, who in the meantime has become a defendant, attended the news conference and listened to the reports. Afterwards, with Police Lt. General Pinter's consent, he outlined the line of defense his client would offer. The gist of it is that from the very beginning the police had regarded the crash as an accident and had not investigated the possibility of foul play.

The police have recommended that the public prosecutor charge Mosolygo with causing a traffic accident through negligence. At the end of the news conference, Sándor Pinter announced that, until the end of the second round in the elections, he would maintain his offer to provide a Mercedes—complete with communications equipment, a driver and a bodyguard—for each major political party, upon their request.

Deputy Prime Minister Cited on U.S. Visit

LD2206095694 Warsaw Radio Warszawa Network in Polish 0600 GMT 22 Jun 94

[Text] Deputy Prime Minister Grzegorz Kolodko has ended his visit to the United States, during which he explained to his U.S. partners the Polish Government's economic program. Grzegorz Kolodko believes that he has succeeded in convincing representatives of the Washington government and the IMF that the present Polish Government is not wrecking what their predecessors have done and that the Strategy for Poland program is the plan for the future.

[Begin Kolodko recording] The IMF, Treasury Secretary Dentsen, and Ms. Tyson, head of President Clinton's team of economic advisors, who will visit Poland together with the president, all believe that this ambitious program and its objectives will be fulfilled and implemented if the work is well organized and if government policy is clear and firm, which we are, of course, determined to pursue. [end recording]

[Announcer] Grzegorz Kolodko has also announced plans to set up a Polish-U.S. investment fund to support the privatization process in Poland. Deputy Prime Minister Kolodko hopes that initially it will be possible to make \$100 million available for the fund.

Clinton Visit Considered Summit Opportunity

WS2206084094 Warsaw GAZETA WYBORCZA in Polish 22 Jun 94 p 1

[Report by "krzem": "Clinton With the Ten"]

[Text] President Clinton's July visit to Warsaw will be an opportunity to hold a ministerial regional summit meeting of East and Central Europe. Minister Andrzej Olechowski said yesterday that he and U.S. Secretary of State Warren Christopher have invited foreign ministers of nine countries—the Visegrad Group, Albania, Bulgaria, Romania, Macedonia, and Slovenia—to come to Warsaw on 7 July. Bill Clinton will be in Poland on 6 and 7 July. Among other issues, the ministers will discuss the region's security, including "Partnership for Peace," and their countries' relations with NATO.

Ministerial Reform Rejected; Olechowski 'Angered'

WS2206091394 Warsaw GAZETA WYBORCZA in Polish 22 Jun 94 p 1

[Report by Edward Krzemien: "Facing Government Alone; Olechowski Suspending His Resignation Until July?"]

[Text] To prevent losing access to diplomatic posts for their party colleagues, the whole government is rejecting a reform of the Foreign Affairs Ministry [MSZ] proposed by Foreign Minister Olechowski. In the meantime, the minister is not giving up.

That is why the conflict between the MSZ and the government, which has been concealed for some time, erupted anyway. Yesterday the Council of Ministers rejected the draft of a new MSZ statute which attempted to divide the ministry into a political and a civilian part. Debate on the draft by the Office of the Council of Ministers [URM] has been pending for almost two months.

Two weeks ago, GAZETA WYBORCZA reported that a delay in the decision may lead to a resignation by Foreign Minister Andrzej Olechowski, who denied the reports while hoping for an agreement with URM.

But the Democratic Left Alliance-Polish Peasant Party coalition regarded its control over MSZ as more important. According to the coalition's chief politicians, the reform being proposed by Olechowski permanently forecloses access for the coalition to posts in this prestigious ministry.

It is a decision that I cannot accept—an angered Olechowski told reporters. I failed to obtain the support of any minister during today's session. When asked whether, in this situation, he still rules out his dismissal, Olechowski refused to answer: The foreign minister's position is such that if he is a responsible and diligent man, then he cannot go around talking about a resignation any time he pleases. And then he ended the discussion in an even more determined manner: We are in a period of intensive international measures which in my view are of historical importance. So I refuse to answer such questions at all.

As we found out unofficially from a very well-informed source, if it were not for the upcoming visit by U.S. President Clinton to Warsaw on 6 and 7 July, Olechowski would not have hesitated to submit an ostentatious resignation yesterday. But if he fails to come to an agreement with Pawlak and the coalition in the near future, the question of resignation will be just a question of time.

The debate is to be continued and decisions should be made in June or July, not later than that—Olechowski said. I regard the July deadline as a borderline one, and a further delay of the reforms would be very hard for me to accept. When asked by a reporter what he meant by "borderline deadline," Olechowski replied: It means what you just heard. After July, comes August.

Deputies Demand Family Planning Implementation

LD2106122394 Warsaw Radio Warszawa Network in Polish 1100 GMT 21 Jun 94

[Text] The Sejm Social Policy and Health Commissions have come out in favor of including contraceptives on the list of medicines for which only 30 percent of the price has to be paid. They have also come out in favor of

introducing sex education in schools and of withdrawing handbooks containing inadequate sex information. Today the commissions are discussing implementation of the laws on family planning and conditions permitting abortion. The deputies have adopted the text of recommendations for the prime minister, for which they demand government implementation.

Roundup of 19 June Local Election Results

WS2206093094

[Editorial Report] The following is a compilation of reports on results of the 19 June local elections in Poland, from media sources monitored by Warsaw Bureau.

Recap of Election Results, Geographical Distribution

Warsaw GAZETA WYBORCZA in Polish on 21 June in a page 1 article devoted to the local election results reports that there is no decisive winner in the self-government elections. Among the parties that won majorities of the mandates, are the Freedom Union (UW), the Democratic Left Alliance (SLD), and some right-wing coalitions. On 20 June, the State Electoral Commission obtained results from 36 out of the 50 existing voivodships (large administrative units). The average turnout was 36 percent, and it was higher in rural areas (38.5 percent) than in municipalities (29.2 percent). The highest turnout was recorded in Leszno and Poznan Voivodships (43, and 42 percent, respectively), while the lowest turnout was in Lomza, Gorzow, and Slupsk (23-24 percent). GAZETA WYBORCZA states that "In the majority of big cities, there are no definite winners, but SLD, the right wing, and UW, predominate. The Confederation for an Independent Poland (KPN), the Union of Labor (UP), and the Polish Peasant Party (PSL) scored poor results. SLD gained the largest number of mandates in 17 voivodship cities. That was the case in Lodz, Kalisz, Czestochowa, Olsztyn, Suwalki, Koszalin, Slupsk, Legnica, Szczecin, Radom, Kielce, Ciechanow, Bydgoszcz, Sieradz, Ostroleka, Plock, and Zielona Gora." GAZETA WYBORCZA reports that "Right-wing parties gained the largest number of votes in six voivodship capitals: Bialystok, Lomza, Rzeszow, Krosno, Siedlce, and Lublin. UW won in six voivodship cities: Warsaw, Gdansk, Poznan, Krakow, Bielsko-Biala, and Wroclaw. PSL does not count in big cities. KPN was defeated in places where it did not form a coalition with the center right-wing. UP also received poor results." The daily adds that "The conclusion from election arithmetic is that the winners will be in power on their own only in a small number of cities, and therefore coalitions will be required almost everywhere."

Politicians Comment

RZECZPOSPOLITA on 21 June reports on page 2 that in cities, the number of voters was generally lower than in rural gminas (small administrative units), and the low turnout is bound to have an impact on the composition

of future councils. According to politicians, only the most disciplined voters and those with clear political values, decided to vote on 19 June. The daily notes that according to UW's Henryk Wujec, supporters of SLD and PSL are the most disciplined members of the electorate. Wujec also says that the two parties have enough money, as well as the appropriate structures to conduct elections, enabling them to partially regain the positions they had lost in the 1990 elections. But that does not mean that it will be easy for PSL or SLD to establish gmina councils, since their prevalence is not that big. As for UW, it won the elections in the cities, which is where it has always enjoyed high support. RZECZPOSPOLITA quotes Wujec: "The voters were deprived of information regarding the meaning of the elections themselves, as well as the candidates. That is the reason for the low turnout. Among others, this demonstrates that society does not feel like a participant in a democratic system." According to the paper, PSL's Dobrosz describes the low turnout in cities as follows: "It means that 70 percent of society does not want to bear responsibility for power sharing. It is a very bad trend that should be understood as a vote of no confidence for everybody."

The 21 June edition of ZYCIE WARSZAWY on page 3 cites SLD's Aleksander Kwasniewski who points out that his party is "quite satisfied, having obtained 10 times more councillors than we had before the elections." Kwasniewski adds: "The trend from the parliamentary elections, was maintained." The daily notes that according to Pawel Piskorski, a member of the UW Presidium, "the post-'Solidarity' parties did not repeat their mistake from the parliamentary elections—they were united this time." Kazimierz Ujazdowski of the Conservative Coalition—which ran in the elections under "Alliance for Poland"—describes the elections as a "success." "The right wing has its natural, substantial electorate, and when united, it scores a success," Ujazdowski notes. In his view, the turnout was better in towns, with their efficiently functioning municipal councils. Romuald Szeremietiew of the Movement for the Republic expresses the view that the local elections should strengthen some uniting tendencies present in the right-wing camp. He is glad the elections had "a political character" and that those unassociated with political parties were not successful; he sees this as "a good future sign for Polish democracy."

ZYCIE WARSZAWY continues its report, pointing out that Rafal Zienkiewicz, a representative of the Union for Real Politics, is less enthusiastic about the election results, which "did improve the party's standing but did not meet its expectations." He is surprised by the low turnout among the young generation, and he maintains that none of the existing parties are able to "win people's souls." "We need new faces in politics, and a new vision for Poland," says Zienkiewicz.

Newspapers Comment

GAZETA WYBORCZA on 21 June carries a page 1 editorial by editor in chief Adam Michnik. Michnik

notes that "local governments have slipped out of the control of the ruling coalition comprised of SLD and PSL." Since there is no decisive winner, everything now depends on who will enter into what kind of arrangement with whom. Michnik places major responsibility on UW's behavior in seeking coalition partners for itself, stating: "Everything depends on UW, and on whether it is able to find the best partners in the right- or left-wing bloc, since only UW is in a position to talk to both sides." Michnik also stresses that "specific issues and pragmatism, as well as persistently rational programs and real abilities, must outweigh ideological arguments" in the process of forming the newly-elected self-governments.

RZECZPOSPOLITA on 21 June on page 2 under the "Observations" rubric carries a commentary by Bożena Wawrzewska noting that in the elections, party tickets prevailed over coalitions of residents, self-governmental activists, and citizens' groups. According to Wawrzewska, there could be several possible reasons for such an occurrence: A weak self-government mentality or a poor understanding of the essence of local authorities as opposed to central authorities, clear trends toward a centralization of the state demonstrated by the governing coalition, social disappointment with those self-government structures that have been in office thus far, or finally, a lack of clarity regarding the present situation, the programs, or of who is who in the political scene. Wawrzewska predicts that the parties forming the governing coalition will gain the largest number of mandates but she also notes one important difference between these elections and the September 1993 elections: This time, the victory will not be as overwhelming since the right wing has now marked its presence much more clearly. It is possible that in forming the various coalitions, right-wing parties drew the proper conclusion from last year's defeat when each right-wing party ran separately. Wawrzewska also notes that UW most probably confirmed its place on the political scene—despite unclear programs and ambiguous behavior—while UP's poor results are a real surprise, especially since it proclaims itself to be a "modern left-wing" party.

TRYBUNA on 21 June carries on pages 1 and 2 an article by Dr. Jacek Raciborski, a Warsaw University sociologist, where he notes: "It can be presumed preliminarily, that both the coalition and the opposition electorates have demobilized themselves by quite equal parts. This is demonstrated by the configuration of votes in Warsaw, which was similar to those of the parliamentary elections." Dr. Raciborski believes that "The election campaign was not intensive enough, there was not enough civic education to mobilize people to participate in the elections. But one must also emphasize the weak reflection of the configuration of the political scene in the social mentality. In addition, local councils are not perceived as important elements of the power structure. It is part of the crisis in citizen mentality." "I suppose the coalition will strengthen its position in many cities but it will fail to gain a dominant influence over local councils.

In my view, the coalition will lose the elections, for instance, in the Malopolska region. Regional authorities will not be a direct reflection of the Sejm arrangement," adds Dr. Raciborski.

Several Constitutional Drafts Considered

WS2206103094 Warsaw GAZETA WYBORCZA in Polish 22 Jun 94 p 3

[Article by Agata Nowakowska: "Powerful President; Constitution According to Belvedere, Senate, and KPN"]

[Text] *A merry-go-round of constitutional drafts has been set in motion in the Sejm. Sejm deputies and senators of the Constitutional Commission familiarized themselves yesterday with three of the six constitutional drafts.*

Today the commission will debate the remaining three drafts: a joint draft coming from the Polish Peasant Party and the Union of Labor, one from the Democratic Left Alliance, and one introduced by the Freedom Union.

Belvedere Draft

Lech Walesa wants a strong presidency—the president would be able to dissolve the Sejm at almost any time. He would only not be able to do so if the Sejm were less than one year old (unless during that time, the Sejm deputies fail to adopt a budget) or within six months of the end of the presidential term.

The president would be entitled to issue decrees, but only with consent from the Sejm. In case parliament is dissolved, the president would be able to issue decrees as he pleases.

The president would lead the government, he would appoint and dismiss the prime minister, and he would appoint and dismiss ministers on the prime minister's motion. The Sejm would not be empowered to do a lot regarding the government's composition—all it would be able to do is hold a confidence vote in the government.

The president would be commander in chief of the Armed Forces; among other posts, he would appoint the chief of the General Staff. He would also "supervise" the Foreign Affairs Ministry and the Internal Affairs Ministry. The president is full of energy but he is not empowered to do much—argued Lech Falandysz, a minister at the Belvedere.

Draft of Senate and KPN

These drafts also provide that it would be the president who would be playing a decisive role in appointing the prime minister, whom members of the Confederation for an Independent Poland [KPN] call a chancellor [kanclerz]. Both drafts endow the president with the right to issue decrees.

According to Alicja Grzeskowiak of the Center Accord, the Senate draft refers to a "coherent system of values based on Christianity." The draft begins with the words: "In the name of God Almighty," it envisions a Concordat with the Vatican, it guarantees the right to life from the moment of conception, religious lessons in schools ("every legally recognized religion may be the subject of school teaching"), and it prohibits the death penalty.

The KPN draft creates privileges for the Roman Catholic Church: "The Roman Catholic religion, being the religion of an overwhelming majority of the nation, occupies a leading position among religions having equal rights in the Republic of Poland."

KPN members want Sejm terms to be numbered, beginning with the general Sejm session held in Piotrkow in 1493. Sejm deputies and senators would not be allowed to read their speeches from notes, but they would be entitled to free travel on public transportation.

All presidential candidates born after 1990 would have to have higher education, while candidates for Sejm deputies, mayors of towns and cities, and chief officers of groups of villages would have to have at least a high school diploma.

Armed Forces Command Structure Reviewed

94P20881A Poznan WPROST in Polish No 16, 17 Apr 94 p 34

[Article by M. C.: The Generals' Offensive]

[Text] The reform of the Polish command structures of the armed forces was completed in the middle of last year. It turned out that, in the close-knit command structure, there is room for four civilians (the minister and deputy ministers responsible for education, foreign affairs, and what is called logistics) and only one general, i.e., the chief of the General Staff. Almost all of the institutions that had an influence on the Army, including the military intelligence services, were located in the civilian structures of MON [Ministry of National Defense]. The General Staff became virtually just an executive agency. The generals feel that, at that time, the Army was without leadership during peacetime because it was difficult to regard a civilian as the head, the minister of defense.

After the elections in 1993, the new minister of defense, Piotr Kolodziejczyk, suspended the organizational rules drafted by his predecessor, Janusz Onyszkiewicz. A considerable portion of the responsibility for the Army was transferred to the General Staff. At present, it [the General Staff] consists of four main members: the Inspectorate of Training, to which are subordinate, among others, the facilities for combat training, education, and schooling, physical training, as well as the military police forces, and the commanders of the branches of forces; the Logistics Inspectorate; the Department of Strategic Planning; and the Department

of Organization-Mobilization. The General Staff also includes the special services, i.e., intelligence and military counterintelligence. At the same time, the jurisdiction of the previously existing civilian department has been curtailed considerably. A portion of the special services has been placed here, however. Those who support Onyszkiewicz's reform think that the chief of the General Staff has been made independent of the minister of defense inasmuch as (under the new disciplinary regulations) he is in charge of all of the servicemen also assigned to the MON structures.

For the present, however, there is no legal document that would eliminate the supreme authority of the Minister of National Defense. This may happen in the future when a general (the commander of the Armed Forces) is subordinate to the president alone. Several plans exist for a new supreme command, i.e., the General Inspectorate of the Armed Forces. Along with each of them, the General Inspectorate of the Armed Forces (before the war, an institution by the same name existed, whose head answered only to the president) will be composed of three inspectorates (ground forces, air forces and air defense, and the navy), as well as the General Staff, with considerably smaller jurisdiction than it has currently.

Difficulties in Grain, Meat Industries Viewed

94EP0066B Warsaw NOWA EUROPA in Polish 25 May 94 p 3

[Article by K.P.: "The Situation in the Grain and Meat Industries; We Await a Correction"]

[Text] This year we will continue to feel the effects of the breakdown in animal husbandry in 1993. A growth in meat production is not expected until the beginning of next year. The situation in grain processing is also difficult.

During the first three years of economic reform, we harvested 27-28 million metric tons of grain each year. Grain and grain product prices remained relatively stable until early 1992. Despite the fact that growth indicators of these prices were half the rate of inflation, this had no definite negative effect on this sector, primarily due to the size of turnovers (hog production rose, and large quantities of grain were imported).

In 1992, grain production dropped to 20 million tons, and, at the same time, during the course of one year, their prices almost tripled. The following year brought an increase in grain production (to 23.5 million tons), while the size of animal production dropped. A state of relative price and production stability developed. Present grain prices are about 15 percent lower than in the spring of last year. Experts in the Agency for Agricultural Marketing (ARR) are forecasting that, after the 1994 harvest, they will drop still more.

Domestic consumption demand has little effect on the stability of the grain market. It remains at a steady 115-120 kg per capita per year. The growth rate of grain

product prices is not only lower than the rate of inflation, but it is also lower than the price growth of grain itself. An additional factor that helps to maintain this situation is the rather high (82.2 thousand tons in 1993) import of flour.

The fact that prices of grain and grain products are not keeping up with inflation is responsible for the steady reduction in the processing margin. The stability of grain prices between harvests means, in turn, that almost no advantage is being taken of the seasonal differences between them. The storage margin category (with fixed costs rising greatly and warehousing costs varying) is almost disappearing. The State Grain Elevators (PZZ) are not able to make a profit at this time and thus accumulate funds for either development or turnovers. Nor did they have these funds previously when, on principle, they were not enterprises created for profit. However, as a result of decisions made on higher levels, they were entangled in investment ventures and thus encumbered with high credit payments. Their debt, by virtue of this, is approximately 90 billion zlotys [Z]. Nor does the PZZ benefit from any credits in grain procurement. The debt attributed to this totals Z250 billion.

The process of ownership transformation in the grain-milling industry was preceded by the breakup of the PZZ into smaller units. At this time, there are 105 state enterprises (including 18 limited-liability companies)

and two State Treasury stock companies. A few enterprises were privatized, and four are in the process of bankruptcy.

As ARR experts have determined, acceleration of the process of restructuring this sector is very difficult (a postinspection report from the Supreme Board of Inspection confirms that the situation in this industry is complicated by overall economic conditions as well as some internal neglect). It will have to wait (there is no great interest in this industry, either by foreign or domestic investors) for a comprehensive program of universal privatization. But general transformations in this industry will not proceed rapidly if comprehensive debt-reduction is not instituted.

Regeneration of basic herds in animal husbandry is a long-term measure (since the last harvests a growth in the number of animals has been recorded). An increase in meat production cannot be expected until the beginning of 1995. This year, production will continue to fall. It is anticipated that, compared with 1993, there will be 17 percent less pork, 10 percent less beef (50 percent less compared with 1990), and almost no lamb or mutton for general consumption (the number of lambs is steadily shrinking—at this moment, there are approximately 800,000). In such a situation, obviously we can expect a growth in prices, an increase in import, and a decline in export.

Amount of Grain With Mixtures in 1987/88-1993/94(in thousands of tons)	1987/88	1988/89	1989/90	1990/91	1991/92	1992/93	1993/94 Forecast	Changes, in Percent
Cultivation area	8,298	8,388	8,260	8,435	8,611	8,223	8,412	102.3
Yields	31.2	29.1	32.3	33	32	24	28	115.0
Production	25,854	24,227	26,644	27,681	27,432	19,721	23,197	117.6
Import	2,652	2,829	3,042	700	230	2,200	550	25.0
Total reserves	30,271	29,028	31,466	31,518	31,307	23,865	24,772	103.8
Domestic consumption	28,191	27,134	28,249	27,303	27,583	22,790	22,068	96.8
Natural losses	1,272	1,252	1,316	1,278	1,275	903	1,067	118.2
Export	108	114	80	480	1,870	50	425	850.0

Note: In 1989-1990-1990/91 together with foreign assistance implemented at that time.

Source: 1987/88-1991/92 according to Main Office of Statistics; 1992/93-insufficient data; 1993/94, authors' forecast (JERIGZ).

UD, KLD Unite in Freedom Union 94P20813A

[Editorial Report] The 23-24 April unification congress of the Liberal Democratic Congress (KLD) and the Democratic Union (UD) resulted in the formation of the Freedom Union (Unia Wolnosci or UW). The name, suggested by former Deputy Prime Minister Leszek Balcerowicz and evoking an element of romanticism, "a common aspect in Polish culture, was approved by a vote of KLD and UD members present at the unification congress. While the unification resolution itself was supported by an overwhelming majority of the delegates, 130 amendments to the newly adopted party statute were proposed at the congress.

Leadership

Former UD leader Tadeusz Mazowiecki was elected chairman of the new party according to a pre-congress arrangement by party leaders. Despite the fact that the KLD's Donald Tusk received 10 votes more than Mazowiecki in the balloting for chairman, Tusk was named to the post of UW deputy chairman, instead. The congress also elected 100 representatives to the party's National Council (Rada Krajowa), with 73 from UD and 27 from the KLD, among them former Privatization Minister Janusz Lewandowski, former Labor Minister Michal Boni, former Prime Ministers Jan Krzysztof Bielecki and Hanna Suchocka, and prominent Sejm Deputies Jacek Merkel and Jacek Taylor. The UW's

11-person presidium includes, in addition to Mazowiecki and Tusk, Wladyslaw Frasyniuk, Hanna Suchocka, Jan Maria Rokita, Bronislaw Komorowski, Bronislaw Geremek, Jan Litynski, Janusz Lewandowski, Pawel Piskorski, and Waldemar Kuczynski—a mix of left, right, and center, “just the way Tadeusz Mazowiecki wanted,” according to Dominika Wielowieyska, writing in the 26 April GAZETA WYBORCZA. Former Internal Affairs Minister Komorowski, described in a 4 May RZECZPOSPOLITA interview as a “Christian Democrat ideologue” by fellow UW member Wladyslaw Frasyniuk, was elected UW general secretary. As reported in the 25 April GAZETA WYBORCZA, Mazowiecki and Tusk promised that the new party would have “a clear, distinctive face.”

UW Profile

In the above-mentioned 25 April article, GAZETA WYBORCZA described the new party as center-oriented, “with a slight tilt to the right.” Deputy Chairman Tusk emphasized that the party should “steer a center course” and build “a strong, consistent opposition” to the ruling coalition. He noted that “all we have to do is say that we are the opposition that embraces all those who are for freedom and against those seeking to strip us of this freedom, that we are against collective farming and we are for privatization, against socialist Poland and for the Third Republic.” Mazowiecki reiterated that only the UW can be an alternative to the ruling coalition “that came to power only by criticizing the governments of the past five years, while the moral right to govern belongs to those who fought for the freedom.” The Freedom Union’s unification declaration, as reported in the 26 April GAZETA WYBORCZA, strongly criticized the past six months of governing by the leftist coalition, calling it “a lost time for Poland,” underscoring the government’s “halt of privatization” and “increase of the debt,” while it was “simultaneously centralizing power, creating new privileges and alignments, and promoting political criteria in administration.”

In the economic sphere, the congress assured the continuation of the economic reforms begun by the Mazowiecki government in 1990. According to the 26 April GAZETA WYBORCZA article, the UW is “against raising taxes and limiting competition,” supports privatization, and maintains that the state should not differentiate economic conditions “based on political pressures and tactical interests.” In the 4 May RZECZPOSPOLITA interview, Komorowski said that “there is not much difference” between the UW’s program and that of the pre-congress UD and KLD individual programs because “it originated as a result of many discussions between the two parties.” Komorowski added that the “main elements” of the program are “strong support for a free market and democratic reform.”

“Social Liberal” Faction

In a move that clearly revealed the continuing ideological differences within the party, Jacek Kuron, former

labor minister in Hanna Suchocka’s government and an advocate of social programs for the underprivileged, declined to participate in the elections for the new party leadership, stressing that no party should be composed solely “of friends of the market” (UD) and “friends of the entrepreneurs” (KLD), “with no friends of the people.” Kuron said that the new party may still be capable of creating an “ethos of civilization that might yet win the support of other groups and of a broader electorate.” He expressed doubts, however, that the liberals (from the KLD) will be able to think in broader terms of “the state.” In particular, Kuron opposes curbing the powers of trade unions, saying “demands for decent pay are worth listening to.” (GAZETA WYBORCZA 25,26 April)

Post-Congress Commentaries

Commentaries representing various points of view in major publications assessed the chances of the new party. A commentary in the 30 April POLITYKA by Mariusz Janicki highlighted the congress’s usage of “strong anticommunist rhetoric” emphasis on unity, and confidence that “every educated, unprejudiced and non pro-PRL [pre-1989 People’s Republic of Poland] person will vote for it.” The Freedom Union has, in Janicki’s opinion, a chance to be an alternative to the ruling coalition, especially now when, in Mazowiecki’s words, “the governing coalition cannot hide its absurdities, ineptness, and rash decisions.”

Boguslaw Mazur, writing in the 8 May issue of the Poznan weekly WPROST, a magazine that entertains leftist views, observes that “the Christian-democratic/liberal group has the dominant role in the UW leadership,” whereas that faction represented by Frasyniuk and Zofia Kuratowska, more social-democratic in tone, is in the minority. Mazur predicted that the latter faction may yet leave the Union, allowing the center-right group of Jan Maria Rokita, former chief of the Council of Ministers in the Suchocka government, to become the major force.

In the 6 May RZECZPOSPOLITA, Jan Szomburg, president of the Gdansk-based Institute of Research on the Market Economy and a KLD activist, cites some of UD and the KLD’s past weaknesses, asking why UD, “the strongest intellectual party in the postcommunist world, was unable to communicate the sense of reform to the average voter. Szomburg noted that recent polls show that only 30-40 percent of the people consider themselves advocates of the free market. He questions the UD’s “lack of communication, arrogant language, and absence of a clear message” and asks why there was such an expectation on the party’s part that society would put its complete trust “in the hands of an elite.” Szomburg is also critical of the KLD, calling it “a party that paid more attention to style than to substance, too inclined to political pragmatism that somehow watered down the party’s identity.” Szomburg added that a proreform program with a clear strategic vision leading to the completion of the economic and political reforms is

necessary in order for the Freedom Union to be successful. Such a vision, according to Szomburg, requires a dose of romanticism," to which Freedom Union "is no stranger."

While the UD garnered just under 11 percent of the vote in the September 1993 parliamentary elections, the

KLD's 4-percent support left the party under the 5-percent threshold required for parliamentary participation. As reported by WPROST magazine in its 8 May edition, recent polls show that Freedom Union enjoys the support of 22 percent of the electorate, mostly among people between the ages of 20 and 39.

Havel Arrives on State Visit to Bucharest

AU2106112594 Bucharest Radio Romania Network in Romanian 1000 GMT 21 Jun 94

[Text] Vaclav Havel, president of the Czech Republic, arrived in Bucharest one hour ago on a state visit. The guest was welcomed at Bucharest Otopeni Airport by Romanian Foreign Minister Teodor Melescanu. The Czech president is accompanied on this visit by Jiri Skaliczky, minister of national property and privatization, Alexandr Vondra, first deputy foreign minister, Jaromir Kvapil, ambassador of the Czech Republic to Bucharest, and other officials.

Here is the statement made by President Vaclav Havel upon arrival. The statement has been translated by our colleague Pavel Mocan:

[Begin Havel recording] This is the first time that I am in Romania. This is an official state visit that is meant to emphasize the good relations between our countries. Within the framework of these relations, we will sign the treaty on friendly relations and cooperation between our countries. I am convinced that we will proceed to an exchange of experience as far as developments in our countries are concerned, and we will exchange views on general European issues. Apart from the talks that I am going to have with President Iliescu, I will meet with the prime minister of the Romanian Government and with representatives of the parliament. The delegation that I am leading also includes the minister of privatization, who is prepared to proceed to an exchange of views with his Romanian counterparts on the issue of the privatization process. [end recording]

About one hour ago, Romanian President Ion Iliescu welcomed President of the Czech Republic Vaclav Havel in a ceremony that took place at Cotroceni Palace.

Meets With Iliescu, Vacaroiu

AU2206071994 Bucharest Radio Romania Network in Romanian 1700 GMT 21 Jun 94

[Text] A second round of talks between Presidents Vaclav Havel and Ion Iliescu, with the participation of the two official delegations, took place at Cotroceni Palace this afternoon.

In a statement to the press at the end of the talks, President Ion Iliescu stressed the particular political significance of the first visit that the head of the new Czech state has paid to Romania, which demonstrates the joint will to develop the rich tradition of relations between the two countries on new foundations and the mutual interest in developing bilateral relations in all areas.

As regards international issues that were approached during the talks, Mr. Ion Iliescu stressed the joint interest for integration in international processes and bodies and the very good relations between Romania and the Czech Republic within these bodies.

For his part, President Vaclav Havel, referring to the friendship treaty between Romania and the Czech Republic, stated that the act of signing this treaty, which will take place tomorrow, 22 June, is a starting point for a new kind of relations between the two countries. Mr. Havel added that during his talks with President Iliescu and Premier Nicolae Vacaroiu, particular attention was paid to economic relations and ways to develop them.

The official dinner given by Romania's President Ion Iliescu in honor of President of the Czech Republic Vaclav Havel is scheduled to take place at this hour at Cotroceni Palace, our correspondent Sorin Croitorescu informs us.

Also today, Romania's Prime Minister Nicolae Vacaroiu met with Vaclav Havel at the latter's rooms. The talks were attended by Teodor Melescanu, the Romanian foreign minister, and Jiri Skaliczky, the Czech minister of privatization. Recalling the positive development of the framework for Romanian-Czech relations, especially after the visit to our country by Czech Prime Minister Vaclav Klaus, Mr. Vacaroiu stressed that the new judicial framework of bilateral relations initiated on that occasion needs to be completed as soon as possible, with the conclusion of a free trade agreement between the two countries, implementing the memorandum that has been established in this respect between the two governments. Assessing bilateral relations between the two countries positively, the Romanian prime minister stressed the need to develop economic and commercial relations between the two states. In this context, an important role is played by the exchange of experience in the field of privatization, which is an area of great interest to both countries.

President Havel stressed the significant drop in the volume of bilateral commercial exchanges as a result of the collapse of the old system of economic relations in Eastern Europe and emphasized the need to rebuild these relations of cooperation on the basis of the principles of the market economy. In this respect, the process of economic and commercial rapprochement between the two countries depends mainly on commercial companies. However, governments are duty-bound to create a favorable climate, something that the two countries have already started to achieve by concluding the Romanian-Czech accord for mutual protection of investment, the accord on avoidance of double taxation, and the memorandum regarding the establishment of a free trade zone.

The Czech President expressed his hope that this process will be crowned as soon as possible with the conclusion of the free trade accord, which is in the process of negotiation, reads a press statement that we have received from the spokesman of the Romanian Government.

Addresses Bucharest News Conference

AU2206122694 Bucharest Radio Romania Network in
Romanian 0925 GMT 22 Jun 94

[Statement by Vaclav Havel, president of the Czech Republic, at news conference held at Bucharest Cotroceni Palace—live in Czech with passage by passage translation into Romanian, translated from Romanian]

[Text] It is a particular pleasure for me at the end of my visit to express thanks for the warm hospitality with which I was welcomed throughout my visit to Romania.

I can confirm what President Iliescu has said, namely that between our countries there are no differences at all in the field of foreign policy regarding events in Europe and the goals that the two countries promote in their foreign policies. I have recalled on various occasions the stages that can indeed confirm the mutual feelings of sympathy that have developed between our two nations throughout history. I can remember the favorable way in which the public in Czechoslovakia hailed the support granted to them by Romania in 1968 and I can remember just as well the state of anxiety and disgust that the public in Czechoslovakia felt toward what was happening in the last years of the Ceausescu era. For example, Ceausescu's initiative to destroy villages met with the Czechoslovak public's complete disapproval. I can also remember the great interest showed by the public in Czechoslovakia in the events that led to the fall of the Ceausescu regime, as well as the feelings of empathy nurtured by the Czechoslovak public for the revolution that unfortunately resulted in the loss of so many lives. Apart from the political goal of this visit which culminated with the signing of the treaty on friendly relations and cooperation between Romania and the Czech Republic, our presence in Bucharest has also made a contribution to a more profound familiarization with realities in Romania and with the development of the political situation in this country.

During the official talks we held with President Iliescu, Prime Minister Vacaroiu, and the presidents of the two chambers of the Romanian Parliament, but also during informal occasions, such as the official dinner that took place last night, I had an opportunity to understand more clearly the way in which democracy in Romania operates. The meeting I had at Bucharest University with representatives of the opposition, with whom I discussed various aspects of Romanian life, gave me the opportunity to get to know Romania better.

I am firmly convinced that the economic and political relations between our countries will continue to progress and I have the feeling that the next step that we could take would be to sign an accord on free trade. We estimate that such an accord could be signed this coming fall on the occasion of the meeting of the two premiers. In conditions of a market economy, as far as a development of economic relations are concerned, everything depends on economic companies. However, governments can also make a contribution to this development

by creating a concrete framework for the development of such relations and I am sure that the governments of these two countries, that is, of Romania and the Czech Republic, can do this.

Once again, I wish to express thanks for this invitation and the hospitality extended to me and for the fact that I was given the opportunity to visit Romania for the first time in my life.

Romanian, Czech Officials Discuss Minorities

AU2206092394 Bucharest Radio Romania Network in
Romanian 1900 GMT 21 Jun 94

[Text] Viorel Hrebenciuc, general secretary of the Romanian Government and coordinator of the Council for National Minorities, received Alexandr Vondra, first deputy foreign minister of the Czech Republic, at Victoria Palace.

The guest noted that in the opinion of his government, Czech minorities are forging a cultural heritage that make an essential contribution to Czech civilization. He also presented the guidelines of an extensive project aimed at supporting Czech minorities throughout the world, to cultivate and preserve their national identity. This project, the financing of which is in the process of being approved, among other things stipulates support of Czech minorities through education and culture, through the exchange of teaching staff, as well as support in the development of infrastructure in areas inhabited by the Czech minority.

In order to expand this project to the Czech minority living in Romania, Alexandr Vondra asked for the support of the Romanian Government and the Council for Ethnic Minorities.

Viorel Hrebenciuc stressed the good relations between the government of Romania and the leadership of the Union of Czechs and Slovaks in Romania, as well as the important role played by this organization in the activity of the Council for National Minorities; declared the complete openness of the Romanian government for the project to support the Czech minority in our country, stressing the need for the Union of Czechs and Slovaks in Romania to get involved in all stages of examination and implementation of this project. In this way, according to the opinion expressed by the Romanian side, closer cooperation between Romania and Czechia and between the government of the two countries will be established, cooperation that might expand to actions regarding ethnic minorities within the framework offered by the Central European Initiative, the Balladur Plan, the Council of Europe, and the Conference on Security and Cooperation in Europe. So reads a press release that we have received from the government spokesman.

Opposition on Efforts To Impeach Iliescu

AU2106075294 Bucharest Radio Romania Network in Romanian 1900 GMT 20 Jun 94

[Text] Today in the afternoon hours representatives of the parliament factions of the opposition [the Democratic Convention of Romania—CDR—and the Democratic Party—PD] held a meeting during which they elaborated the opposition's joint action strategy.

This is what PD Deputy Chairman Adrian Severin declared to our reporters after the conclusion of the meeting:

[Begin Severin recording] First I would like to counter all speculations and rumors about the so-called dissolution of the opposition or about the lessening of the opposition's ability to act.

The PD believes that the current opposition in Romania is able to and is actually acting in a united and unitary way, and that it represents a real alternative to the current state power.

Regarding the talks we held today, we tried, in concordance with certain traditions we have already developed, to correlate our actions, considering that both in the CDR, within that alliance, and in the relations between the CDR and the PD there are, obviously, certain varying nuances, discrepancies among the programs and ideologies.

We found that the dialogue between the administration, between the government and the population of the country by means of the parliament is deficient; we found that the interpellation instrument [of the executive], the question-answer method has become totally inefficient, so that practically speaking the government currently is not accountable to anyone in any way for the activity it exerts. This is why we are examining a draft motion by which we wish to compel the government to explain to us the policy it is implementing and whether it intends to go on making the same mistakes it has made until now, which led to the drop in the standard of living.

At the same time, this morning, parallel to the CDR, the PD issued a communique, in which it expresses its regrets over the fact that Ambassador Traian Chebeleu, the spokesman of the presidency, rejected—in our opinion in a superficial way—the dialogue requested by the opposition parliament faction between the president and the parliament on certain constitutional issues.

As far as we are concerned, we believe that after President Iliescu has sufficiently pondered our request, he could give us a favorable reply. If he fails to give us an answer, it is obvious that we will have to very carefully consider our next moves. [end Severin recording]

This is what University Professor Emil Constantinescu, the chairman of the CDR stated to our reporters:

[Begin Constantinescu recording] I believe that Mr. Adrian Severin has touched on a number of essential things that ought to be further detailed for your listeners.

Quite often mass media commentators, but also a large part of the population, expects the opposition to accomplish things that can only be achieved by the state power and the executive. The role of the opposition is a different one: First, in Parliament, it is to represent the interests of the citizens and to watch that their dialogue with the state power takes place in a democratic way, through their elected representatives.

Referring to the first issue we discussed, I believe that the letter addressed to President Iliescu [inviting him to Parliament] by the CDR and the PD is, above all, helping the president. And we do believe that he will answer Parliament seriously. Because after having dented the prestige of the juridical authority, I do not believe that the president will continue by showing contempt for the lawmakers' authority. Otherwise I wonder what sort of image President Iliescu has of the presidential institution. This is the essential issue and I do not understand why he should be afraid to present to Parliament the reasons he adopted the stance he expressed in Satu-Mare.

Regarding the censure motion, it is the only way of making the government, which has treated the citizens of the country in an arrogant way, come to Parliament and, through Parliament, actually present to the citizens a balance of its achievements. And, above all, present the way it has implemented its own program. Let us not forget that the first censure motion initiated by the CDR [in 1993] was intended to make clear who is responsible for the implementation of the government program. Following the rejection of our motion, the government assumed responsibility for it in the name of the majority in Parliament. Now we have to check which of the points they set for themselves as a goal have really been achieved and which have not. This is a right of the citizens of Romania, a right they must exert. [end recording]

PDAR Chairman Discusses Censure Motion

AU2106122094 Bucharest Radio Romania Network in Romanian 1000 GMT 21 Jun 94

[Text] Today, Mr. Victor Surdu, chairman of the Democratic Agrarian Party of Romania [PDAR], held an extraordinary news conference during which he presented the letter addressed by that political party to the members of the Senate and the Chamber of Deputies, as well as the text of the censure motion by which the PDAR activates the procedure of withdrawing the confidence granted to the government.

The principal reason of the censure motion, the document emphasizes, is based on the current negative state of our economic and social life, with grave consequences upon the level of the standard of living.

The motion also mentions the lack of certain concrete government programs and the critical condition of Romanian agriculture, which proves the inability of the government to solve the economic problems and promote its own program.

Commenting on the text of the censure motion, the PDAR chairman stressed that it represents a gesture to protest against poverty and incertitude and to condemn incompetence and inefficiency.

Answering journalists' questions, Surdu expressed the hope that the censure motion will be seconded by parties with more weight in parliament, and added that the PUNR [National Romanian Unity Party] has already expressed its readiness to do so. In that context, Surdu said that if other parties also want to initiate censure motions, the PDAR leadership will examine such initiatives, and if they also include the claims of the PDAR, it cannot be excluded that the party will support such motions.

Considering that the current structure of parliament does not offer any answers to the question toward what kind of society we are heading, Surdu also said, a reevaluation of the Romanian political spectrum would be necessary through the organization of early elections.

Commentary Sees 'Dissolution of Opposition'

AU2106080194 Bucharest EVENIMENTUL ZILEI in Romanian 17, 18 Jun 94

[Editorial in two installments by Ion Cristoiu: "The Dissolution of the Opposition"]

[17 Jun p 1]

[Text] One day last week [14 June], the representatives of the opposition gathered at the Ilie Nastase Club—which is also called, by anyone who wishes to seem more nationalist-oriented, the Dacia Club—to discuss the PNTCD [National Peasant Christian-Democratic Party] proposal to commence procedures to suspend President Ion Iliescu for the anticonstitutional statement that he made during his visit to Satu-Mare. As is customary among today's Romanian politicians, the four-hour congregation of gentlemen representing their parties was held behind closed doors. Under the stale-water circumstances of our recent domestic political life, the PNTCD proposal had a similar effect to that of throwing a rock into a lake covered by duckweed. The surface of the lake, which used to be smooth and lacking any trace of the slightest swell, now suddenly began to churn and roar. It was discovered that beneath the layer of mud, there were some diverging points of view, even philosophies, dormant, just like the frogs in the pond. Obviously, as soon as the press got wind of the opposition's closed-doors meeting on the issue of suspending the president, the journalists flocked in front of those doors eagerly awaiting the news. What on earth could they have been talking about for such a long time? What colossal blow is the opposition preparing against Iliescu,

giving them sufficient reason to whisper, so that not a single word could be heard outside through the keyhole? Every now and then one of the members of the congregation would come out and head for the bathroom. They were walking with such gravity that none of the journalists dared to approach them or ask them any questions. Each of the journalists was simply paralyzed at the thought that the politician in question was carrying a huge load of secrets to this designated place and his deep concentration not to drop it made him move like a sleepwalker. Heaven forbid that anyone should pull his sleeve! On would run the risk of seeing him collapse to the ground and wriggle convulsively! After four hours of waiting, the doors were eventually kind enough to open. The assumed coup perpetrators stepped outside and, having been authorized to open their mouths, told the journalists what had been decided inside, after so much mystery. In the beginning, before entering the hall, the politicians had seemed to be raging, extremely furious about the president exceeding his constitutional prerogatives. To this the journalists had added other elements as well (the fact that the meeting was held behind closed doors and its unusual length, exceeding four hours), so that after they came out of the conference hall, everyone expected them to announce draconian measures to punish this constitutional criminal. Everyone assessed that, compared with the steps to be announced, the PNTCD's previous proposal to suspend Iliescu would seem like gently tapping Iliescu on the shoulder. After the opposition representatives finished their announcement, everyone was totally baffled. After four hours of discussions, they decided to punish the president by writing a letter to him, inviting him to come to Parliament to tell them the story of what happened in Satu-Mare. Not a single word condemning Iliescu for stepping from the path established by the Constitution! They even renounced the PNTCD proposal to begin gathering the signatures of members of Parliament needed to begin the procedure of suspending the president. The participants in this glorious congregation reached the conclusion that, owing to the great distance separating Satu-Mare from Bucharest, they had not heard very well what Iliescu had actually said. Curious as they are, they now invited Iliescu to hear from him personally what had happened. For over four hours the mountain quivered and trembled with all its might, so that the walls of the club were shaking and the very fish in the pond were becoming nervous, until eventually it gave birth to a little mouse! Nothing was easier for Cotroceni [seat of the president] than replying to this puerile provocation with a gesture that reminds one of a slap given to someone who is following much too closely. The haughty representatives of the opposition were presented with a text that actually repeated what the president had stated in Satu-Mare. His excellency did not even bother to convey it to them personally, but rather preferred to send it to them via television, an institution that, as is known, actually works like a post office box by which Iliescu sends his letters without even having to pay the postage.

The ridiculous decision reached at the Nastase Club has baffled many people. However, it did not puzzle those who have been keeping an eye on what is happening within the opposition. Those observers were not at all surprised to see that the representatives of the PD [Democratic Party] and the CDR [Democratic Convention of Romania], instead of seconding the PNTCD initiative, rather considered it sufficient to address an timid invitation to Iliescu, asking him to explain his statement. All this clearly signals—more clearly than anything else—a process that has recently been going on in our political life: the dissolution of the opposition. It is a very slow, sometimes contradictory process, as are all political phenomena that are still hidden from the eyes of public opinion, but that stand a good chance of eventually reaching completion.

About this, however, in our next issue.

[18 Jun p 1]

[Text] In the previous issue of our daily, I pointed out the childishness of the decision taken after a four-hour meeting of the representatives of the opposition that intended to discuss President Iliescu's statements made in Satu-Mare. The PNTCD [National Peasant Christian-Democratic Party] proposed initiating the procedure to have the president suspended from his office. After having examined that proposal, the representatives of the PD [Democratic Party] and the CDR [Democratic Convention of Romania] rejected it and preferred to issue a declaration by which Ion Iliescu was invited to come and personally offer explanations to parliament. Doubtlessly, such a flabby decision—which was possibly taken so that no one could say that they had wasted four hours just chatting—was the result of a compromise. The PNTCD's proposal had caused various reactions, some of them were even violently against it, among the representatives attending the meeting on the shores of the lake. In order to avoid a brawl among them—as brawls may be admirable among street cleaners, but totally unaccepted among intellectuals—they eventually reached a obtuse conclusion upon which all of them could agree: To call the president to parliament. Abiding by this ridiculous stance, the opposition parties' representatives then elaborated a solemn letter sealed with numerous signatures, which they subsequently sent to Iliescu. Yesterday afternoon, via his spokesman, the president replied that he is no mood to go from Cotroceni to Metropolitan Hill [parliament headquarters] to offer explanations. An arrogant reply given to an arrogant invitation! The opposition parties' diverging stance regarding the president's Satu-Mare declarations was not the sole instance in which they held conflicting opinions recently. There have been other issues as well, in the judgment of which some of them went to the left, while others went the right: Such were the proposal to take [Prime Minister] Nicolae Vacaroiu and [Finance Minister] Florin Georgescu to court on penal charges [for having failed to elaborate the 1994 state budget in due time], the issue of reinstalling monarchy, the draft law on [the legal status of] the nationalized dwellings, or the

no-confidence motion against the government. There have always been divergent opinions among the opposition. However, they have never been so absolutely divergent and, above all, they have never found expression in contradictory action. Formerly they used to manifest themselves by the different personal opinions that were expressed. Now, however, those discrepancies have also manifested themselves in deeds. During the debates on the law on the nationalized dwellings, the CDR walked out of parliament hall, while the PD representatives remained seated. The unity crisis did not merely show in contradictory actions, but it also went as far as discrediting each other. The PL-93's [Liberal party '93] proposal to initiate a no-confidence motion is being continuously postponed from one CDR conference to the other. Its coalition partners say neither yes, nor no. The prefer ambiguity. This new turn taken by the divergence among the opposition parties has its origins in the profound rift existing among them regarding the strategy they think best with respect to the current ruling coalition headed by Ion Iliescu. One part of the opposition wishes to return to the radicalism that preceded the amiable phase during which they held negotiations with the PDSR [Social Democracy Party of Romania]. The other part considers such a move to be an enormous mistake. The latter are pleading in favor of a policy of compromise. Of course, this rift is also visible within the CDR itself, namely between the PNTCD—PL-93 pole, on the one hand, and the PAC [Civic Alliance Party]—UDMR [Democratic Union of Hungarians in Romania] pole, on the other. However, in the CDR's relations with the PD, this rift has already developed into a deep crevice. Following the [1992] elections, Petre Roman's party [the PD] was, over a certain period of time, an untamed enemy of the PDSR and Ion Iliescu. In Romania's parliament, the PD deputies represented the spearhead of the opposition. Compared to their dynamic and audacious way of acting, the stance adopted by the rest of the opposition seemed to be akin to the shyness of untouched brides. Recently, however, the PD has changed so much that one can hardly recognize it. It is not just the fact that Petre Roman's party has lost its former radicalism, but it has also become a fervent advocate of the compromises and even of the harmony that should exist between the opposition and the rulers. Intelligent as they are, the PD leaders do not lack reasons that they keep bringing up to convince their opposition partners, and generally, public opinion, of the rightness of their surprising softness. Within the broad process of trying to find out the real reasons for their softness, some malevolent observers even linked it to the safes in which the General Prosecution is keeping the files of the corruption cases initiated against certain PD leaders. Others explain this abrupt faintness of the PD by the fact that its leader, Petre Roman, is travelling abroad most of the time, rather than being at home. No doubt about it, the future will disclose the true nature of the reasons that made the PD change in such a baffling way. Until then, however, two things are already certain: a) The PD will have to face the consequences of this compromising policy. For instance, left alone in the parliament hall

during the debates on the nationalized dwellings, it was unable to have even one single amendment of its own passed. The majority of the opposition was "not amused" seeing this "constructive" stance adopted by the PD. b) The dissolution of the opposition, as far as CDR—PD relations are concerned, is already a visible process. If the CDR fails to perceive this, that process may spread to the relations among the CDR member parties as well.

Officials Warn Against Discrimination by NATO

PM2006155094 Oslo AFTENPOSTEN in Norwegian 18 Jun 94 p 7

[Report by Aasmund Willersrud: "Romania Does Not Want To End Up Last in Line"]

[Text] Bucharest—There are scarcely any other capitals in the former East bloc where you immediately meet with expressions of satisfaction with the integration process in Europe. The government in Bucharest was the first to grasp—and to do so with great eagerness—NATO's offer of Partnership for Peace. Openly and pragmatically the Romanians realize that it will take time before both NATO and the EU [European Union] open their doors for full membership for former Warsaw Pact countries. But when this finally happens, these countries must join as a group.

"Nondiscrimination is a clear precondition," Foreign Ministry Under Secretary of State Ion Gorita told AFTENPOSTEN. "Partnership expressly lays this down and opens up a host of possibilities, from Bucharest's viewpoint. Integration in Atlantic cooperation has absolute priority in Romanian foreign policy."

For good or ill Romania sees itself as a Balkan country. Ideally an "island of stability" in the most troubled region in Europe, a diplomatic intermediary with open channels to all the republics in the former Yugoslavia. But in strategic terms a country without allies, wedged between areas of explosive conflict in the Balkans and in the former Soviet empire.

The conflict surrounding the lifting of the arms embargo against the sides in the Yugoslavia conflict is causing cold shivers in Bucharest. People are convinced that more arms and military intervention from the East or West would lead inevitably to the spread of the war. The rest of the world must continue to apply political pressure, but today no one other than the partners themselves can resolve the conflict, in the view of the Romanians.

The Romanians' traditional friendship with Serbia gave rise to some skepticism in Western circles, but the government says that it is endeavoring to loyally observe the international blockade. Even though this means enormous losses for a country which was already poor.

Romania is a large nation with 23 million inhabitants. A unified state, the government points out, despite all the unrest surrounding the Hungarian minority which is

calling for autonomy. The most repressed and backward of the countries of Eastern Europe also emerged from 1989, the year of revolution, with the greatest number of problems. Despite all the economic and democratic shortcomings today's leaders refuse to accept a place last in line for Europe.

"Romania has strongly opposed the more rapid integration into NATO of certain states. Hungary before Romania is therefore out of the question," Defense Ministry Under Secretary of State Ioan-Mircea Pascu said. "This would not solve any of the problems, but rather reinforce the divisions in Europe," he warned.

Well aware that the four richer Visegrad states—Hungary, Poland, the Czech Republic, and in part Slovakia—consider themselves to be in a group of their own on the doorstep of both NATO and the EU, the leaders in Romania reel off counterarguments. Relations with Hungary are and will remain the stumbling block, even though there is a confidence that socialist leader Gyula Horn will bring more pragmatism into foreign policy.

"The outgoing government were historians almost to a man. Could you expect anything other than history to become the driving force in politics?" Pascu asked. Now he sees a chance of directing the gaze toward the future instead.

"But until we achieve an agreement between the two countries as a guarantee of stable and normal good-neighborly relations, it is unthinkable that Hungary should be integrated before Romania. We are not asking for special friendly relations, only ordinary civilized relations," the under secretary said.

These are strong, but significant words about the situation today. Ion Gorita of the Foreign Ministry gave the direct warning: "A NATO frontier between Hungary and Romania would be a new Iron Curtain—a frontier that would offer a new conflict situation."

Nor do the Romanians see any reason why Russia should be given special status, even though the country is one of the most sensitive security problems in Europe at present.

But the Romanians have to ask themselves the key question: When will Romania become "mature" enough for admission to the European Union and to security structures? Certain economic and democratic minimum standards must be met.

"From the democratic viewpoint we are already mature enough," Gorita claimed. "All the institutions are in place, and we have been found worthy of admission to the Council of Europe in line with similar standards."

Many officials I spoke to in Bucharest admit that President Ion Iliescu was a problem in relations with foreign countries in the initial phase. He was a figure symbolic of the "stillborn revolution," a communist who refused to reform the old structures. Today this "psychological barrier" has been removed, Gorita claimed. And this

week Czech President Vaclav Havel is coming to pay an official visit—a figure symbolic of democracy in Europe.

Economically a good deal remains before Romania comes up to the EU's standards, but the under secretary of state sent back the challenge to Brussels: "You must help us with investment and capital; alone Romania has scarcely a chance."

UVR Seeks Educational Rights for Minorities

AU2106170694 Bucharest Radio Romania Network in Romanian 1300 GMT 21 Jun 94

[Text] The Vatra Romaneasca Union [UVR] has faxed us a message containing a number of stipulations they propose for inclusion in the Draft Education Law.

Thus, they propose that secondary education in the Romanian language should be organized and operate in every village, town, and municipality of the country. Entrance examinations, as well as all graduation examinations of every kind of educational institutions should be held solely in Romanian, while ethnic minorities should be granted, in the domain of education, the same rights as the Romanian ethnic minority is granted in Hungary, and the same rights as ethnic minorities are granted in Western democracies, that is, rights as stipulated by the relevant international regulations.

These proposals were worked out during a meeting of the UVR National Steering Committee, which was held on 18 June in the town of Lugoj, says the message faxed to us by Zeno Opris, chairman of the UVR.

Defense Official Assesses Security Documents

AU2106120794 Bucharest CURIERUL NATIONAL in Romanian 13 Jun 94 pp 1,3

[Interview with Ioan Mircea Pascu, secretary of state at the Ministry of National Defense, by Ralu Filip; place and date not given: "Without Reform, the National Security Cannot Be Ensured Either"]

[Text] *National security represents one of the fundamental requirements of each country and each nation and Romania is no exception to this rule. Taking into account what is currently happening in Europe, in certain countries that are in our immediate neighborhood, and our geopolitical position, it is only natural to try and find out whether we are safe, if we can or cannot ensure our national security, and also, what domestic and external factors might threaten our country. Therefore, we turned to Ioan Mircea Pascu, secretary of state with the Ministry of National Defense, who granted us an interview on this issue:*

[Filip] Recently, two documents have been issued: "The Integrated Concept for Romania's National Security" and "Romania's Defense Military Doctrine." What can you tell us about these two documents?

[Pascu] The first draft of "The Integrated Concept for Romania's National Security" was compiled by experts representing all institutions that have responsibility in ensuring national security, in accordance with a modern and multidimensional understanding of the concept of security. This first draft was submitted to the Supreme Council of the Country's Defense [CSAT] and was reviewed after the establishment of the Partnership for Peace and the statute of associate partner offered to Romania by the Western European Union. It is the duty of the Ministry of National Defense and the Ministry of Foreign Affairs to finalize the document. As far as the "Military Doctrine on Romania's Defense" is concerned, it was drafted by a group of experts in the Ministry of National Defense and discussed later within the CSAT, a council in which other institutions that have a role in ensuring the military defense of the country are also represented.

[Filip] What was the starting point for the integrated concept for national security and on what is this concept based?

[Pascu] The concept is based on a careful examination both of the international situation, in areas that are farther from or closer to Romania, on the profound transformations that have taken place and continue to take place in the respective areas and at home. The major conclusion of this examination, which is also the fundamental requirement of the efforts to ensure national security, is that currently and for quite a long time to come Romania has no allies and no dependable security guarantees. In addition to this, being in the middle of a process of domestic transition, this process has inevitably reduced the capability to ensure our own security alone, in a situation in which we are located in an area characterized by a high degree of potential conflict.

[Filip] What are the major reasons for Romania's lack of security?

[Pascu] I believe that the most important reason is the fact that, if until 1989 the threats against Romania's security, as a member of the Warsaw Pact, were clearly outlined and were mainly external, today they have lost their distinctness and the major danger is the possibility that internal weaknesses might be exploited. The "Integrated Concept..." assesses the internal high risk factors among which we can mention Romania's economic situation, the social costs of transition, the decline in the society's cohesion, the emergence and increase of new unconventional risks (misappropriation and smuggling of weapons and ammunition, drugs, illegal migration, smuggling of all kinds of products, group violence, and all kinds of terrorist actions, and so forth) as well as the deterioration in the quality of the environment....

[Filip] Excuse me for interrupting, but what is the connection between the environment and national security?

[Pascu] This is the first time that this element has been included in the concept of national security. The quality of the environment can affect our security by damaging over the long term people's health and their natural living conditions. How? Through toxic wastes, disturbance of the ecological balance, accidents, and sabotage in important economic facilities, including the nuclear one.

[Filip] What measures are envisaged to cope with all the domestic risk factors?

[Pascu] In general, we need the concerted action of all political and social forces to ensure the consolidation of the country. The national interest is above the interest of political parties or other types of social groups. We need a structural and functional consolidation in the democratic and constitutional framework of the state, of the central and local public authorities, of public institutions, and political and social pluralism. I am referring to the need to ensure efficiency and the continuity of the process of economic-structural reform, to introduce the market economy, and to ensure the proper functioning of the national economy, also in special situations (war, natural disasters, or nuclear accidents). In conclusion, one can say that there is a direct connection between the reform process and national security. The success of reform cannot be ensured without national security and in order to ensure security we definitely need to bring the reform to a successful conclusion.

[Filip] What are the major external risk factors?

[Pascu] As has already been mentioned, the danger of armed aggression from the outside has been considerably reduced, however, the danger generated by foreign interference and pressures on Romania continues to prevail. I would like to repeat, the exploitation of the domestic situation is the major risk. That is why the "Military Doctrine for Romania's Defense" clearly states that "combined aggressive actions, that is, the organization and deployment of foreign military forces on the grounds of potential domestic aggressive actions, represents the most dangerous type of actions."

[Filip] Nevertheless, would you please enumerate a few external risk factors?

[Pascu] The emergence and intensification of certain conflicts or other forms of tension and the presence of certain areas with a higher level of political and military instability in Romania's proximity also increase our risks of insecurity. The state of tension and major crises in areas neighboring Romania can endanger internal stability through the emergence of massive waves of refugees, through the economic consequences of the act of suspending economic relations with certain countries, as a result of the conflict, or through losses provoked by the observance of certain decisions of international bodies to which we also belong.

[Filip] Does not the stability plan adopted recently in Paris reduce the number of external risk factors?

[Pascu] The stability plan, according to the intention of its initiators, is a process of preventive diplomacy. Except that I personally believe that to qualify this plan as "preventive" also indicates that attempts are made to anticipate certain negative states of affair. However, if they have not occurred so far, it means that this is due to the action of certain factors that might be perturbed precisely by this attempt to anticipate them. There is a saying in German: Better is the enemy of good. In other words, let us try not to provoke certain situations by attempts to prevent them....

[Filip] But what about the agreement on the reduction of conventional weapons and troops in Europe? Is it a risk factor or a guarantee for Romania's national security?

[Pascu] In connection with this accord, one can say that, even at the time when it was concluded, it no longer reflected the situation that generated it. For example, in the NATO-Warsaw Pact military balance, Romania was considered a country of secondary importance and the limits established for our country reflected this statute. But now, one can say that all the countries that were members of the Warsaw Pact have become countries of major importance, considering the increased degree of insecurity in the common area where they are situated.

[Filip] And does it affect us?

[Pascu] The accord represents the basis for military security on our continent, at least for the time being. There has already been pressure from some signatory countries (Russia for example) to modify certain stipulations regarding deployment. I believe that in spite of the aforementioned shortcomings, the act of abandoning the accord would result in unforeseeable negative consequences for European security and for each country respectively.

[Filip] There are some who believe that the Partnership for Peace as well as the Paris Accord in reality would aim at achieving Romania's disarmament, the dismantling of our military industry, and placing Romania clearly in a position of inferiority. What is your opinion of all this?

[Pascu] I am glad that you use the expression "there are some who believe" because a great number of "stories," some more interesting than others, have been circulating and will continue to circulate about Partnership for Peace. This is also happening in other former Warsaw Pact member countries. I do not doubt that the military industry in developed countries has a certain interest in attempting to overcome current difficulties by delivering weapons to the Eastern markets. However, at the same time, I would like to stress that the Partnership for Peace is a competition in which all of the competitors' security factors, including the military industry, are being maximally used. Moreover, at least as far as Romania is concerned, the position adopted—which reflects a strategy in this area—is to maintain the capacity of military production in spite of participation in the Partnership for Peace.

[Filip] Taking into account the competition that has been created, Romania's position, and the military production capacity, how do you regard the budget allotted to the Army? Is it a risk factor against national security?

[Pascu] Yes and no. Yes, because it cannot be increased to the level of our requirements at the moment for tangible reasons. No, because it is designated precisely to counteract risks against security.

[Filip] Romania's geopolitical position raises problems. Some nations are afraid of a possible invasion from the direction in which Romania is situated, others regard positively Romania's geographic location. It is certain that the chance to play a military and political role in the area brings us both advantages but also disadvantages. What do you think about that?

[Pascu] I would proceed from the assessment made by General Joulwan, commander of NATO forces, when he visited Romania. He said that Romania "is an important country in a strategic area." Certainly, this is a double-edged situation, as you very well remarked. However, I believe that, if there is enough political maturity and political skill—which Romania in general has never lacked—the positive part will prevail over the negative part.

[Filip] The visit paid by General Grachev generated various reactions, some affirming that Russia is trying to maintain its influence over Romania. In general, our political leaders are reserved when it comes to our relations with Moscow. Why?

[Pascu] General Grachev's visit also emphasizes in a way the same thing that General Joulwan said, namely that Romania is an important country in a strategic area. If we were to evaluate things strictly from a technical viewpoint, then it becomes clear why Russia does not wish to completely lose its influence over its former allies. However, at the same time, the reservations that

you are talking about reflect a certain need for serious and credible proof from Russia that the efforts it is making so as not to lose completely its influence over its former allies does not mean the old Soviet behavior. In general, not only in the case of Romania, Russia's behavior is carefully observed and examined, precisely in order to be able to distinguish those changes for the better that the Russian political factors are emphasizing in their dialogue with us, former allies.

[Filip] Will we join NATO regardless of Moscow's position?

[Pascu] A first aspect that I would like to stress here is that this move of Romania's has no greater or lesser importance for Russia than in the case of other countries. The second aspect would be that the problem of including all former Warsaw Pact countries in NATO is subordinate to another goal, which I believe is more important for Russia, namely that of obtaining relations of strategic partnership with the Atlantic Alliance. That is the reason, at least in theoretical terms, why Russia could give in as far as the association of certain former allied countries to NATO structures is concerned, if, by paying this "price" it could obtain more easily the statute of "strategic partner." As a matter of fact, NATO is also engaged in discussions with Russia on this issue, trying to achieve a weakening of Russia's resistance on the issue of the association of certain Eastern and Central European countries to its structures.

[Filip] Given your position and the information that you possess, do you believe that we can set our minds at rest as far as the future of Romania's national security is concerned?

[Pascu] Apart from unforeseeable events, which unfortunately will continue to appear in the near or more distant future, I believe that, even if we talk about the medium and long term, we can set our minds at rest on this issue and also on Romania's integration in European and Euro-Atlantic security structures.

Republican, Federal Assemblies To Meet 22 Jun

AU2206085094 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 0800 GMT 22 Jun 94

[Text] The Assembly of Bosnia-Herzegovina will hold a session in Sarajevo today. After that, the Constitutional Assembly and the Assembly of the Federation of Bosnia-Herzegovina will hold a session. The first item on the agenda of the two sessions will be [words indistinct] (?decisions) that, if supported by the deputies, will work in the coming period as the government of the (?republic) and the Federation. Bosnia-Herzegovina Assembly Chairman Miro Lazovic said that after the government is (?ratified) the deputies will mainly discuss those items on the agenda that were treated as draft laws at the last session. Apart from that, the Assembly will discuss the report on [word indistinct] of the management of the Radio and Television of Bosnia-Herzegovina.

The Constitutional Assembly [word indistinct] the (?Government) of the Federation, that is, of the Republic of Bosnia-Herzegovina, will discuss the rules of procedure of the Assembly of the Federation. The Assembly session will start at 1100 today.

Assembly Session Opens Behind Closed Doors

AU2206105594 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 1000 GMT 22 Jun 94

[Report by Mladen Bosnjak]

[Text] The session of the Assembly of the Republic of Bosnia-Herzegovina and the Constitutional Assembly of the Federation of Bosnia-Herzegovina opened at 1200. The first part of the assembly session will be held behind closed doors.

Today's agenda for the session of the Assembly of the Republic of Bosnia-Herzegovina envisages a debate on the report by the state delegation of Bosnia-Herzegovina on the Geneva peace negotiations, the election of the reshuffled Government of the Republic of Bosnia-Herzegovina, and the examination and, we believe, adoption of the proposal on the law on ministries and other administrative bodies of the Republic of Bosnia-Herzegovina.

The session of the Constitutional Assembly of the Federation of Bosnia-Herzegovina will examine the proposal on the rules of procedure for the work of the Federal (?Assembly), ratify the Government of the Republic of Bosnia-Herzegovina as a federal government, and discuss the proposal on the law on ministries and on [word indistinct].

This is all from today's session of the assemblies of the Republic and Federation of Bosnia-Herzegovina. We shall resume reporting as soon as the session is opened to reporters, that is, for a live relay.

'Sources' Name Croatian Candidates for Posts

AU2206070794 Zagreb VJESNIK in Serbo-Croatian 20
Jun 94 p 9

[Report by Mario Marusic: "The Croats Have Put Up Their Candidates"]

[Text] Mostar (from VJESNIK's correspondent)—In accordance with criteria that were adopted earlier, the general list of Croatian candidates for members of the Bosnia-Herzegovina Federation Government was agreed on at the joint session of the Bosnia-Herzegovina HDZ [Croatian Democratic Community] Presidency and Executive Committee held in Mostar. It will, in further procedures, be coordinated at the session of the Chamber of Representatives of the Croatian republic of Herceg-Bosna, scheduled for Monday, and at the session of the Club of Croat Deputies of the Bosnia-Herzegovina Constituent Assembly. Furthermore, at the joint session of the highest bodies of the party—which was chaired by Pero Markovic, president of the Bosnia-Herzegovina HDZ Executive Committee, and attended by Kresimir Zubak, president of the Presidential Council of the Croatian republic of Herceg-Bosna and president of the Bosnia-Herzegovina Federation; Mariofil Ljubic, chairman of the Bosnia-Herzegovina Constituent Assembly; and Mile Akmadzic, minister for inter-republic cooperation and international relations in the Government of the Croatian republic of Herceg-Bosna—the implementation of the Washington agreement and the Vienna talks on the Croat-Bosniak Federation in Bosnia-Herzegovina were also discussed.

Although there was just a brief press release, signed by Vice President Topic, referring to the list of Croat personnel candidates, no names were given and the "practice of forceful mobilization of the Croats by the Bosnia-Herzegovina Army on the territory of the Federation controlled by the Bosnia-Herzegovina Army—which is contrary to the spirit and the essence of coordinated agreements and the Federation Constitution, i.e. which is not contributing to the rapprochement of the Croats and the Bosniaks or to the established principle of the equality of the two constituent nations—was condemned." Regarding that, the Presidency of the Executive Committee of the Bosnia-Herzegovina HDZ "has entrusted Croat officials in the Bosnia-Herzegovina Federation and the Croatian republic of Herceg-Bosna with finding solutions, together with representatives of the Bosniak nation, to stop the forceful mobilization of the Croats, find a way to release those Croats who were already mobilized, and find a lasting solution to the matter of compulsory military service in the Federation." Unofficial sources have revealed the names of candidates to be accepted by deputies of the chamber of representatives of the Croatian republic of Herceg-Bosna at the session scheduled for Monday.

Jadranko Prlic is the candidate for defense minister and deputy prime minister of the Bosnia-Herzegovina Federation, Neven Tomic or Stjepo Andrijic for finance

minister, Mate Tadic for justice minister, Stjepo Andrić, N. Grabovac, Tvrtko Nevjestić, and M. Puljić are running for minister of trade, Bozo Ljubić and V. Simunović for health minister, and Tvrtko Nevjestić, Mile Akmadžić, and N. Grabovac are running for minister without portfolio. Vladislav Pogarcic was put up as the candidate for deputy foreign minister, Jozo Leutar for deputy interior minister, Ivan Santić for deputy minister of industry and energy, Berislav Buljan for deputy minister of physical planning and environment, Ilija Kosulj and Božidar Skavran for deputy minister of transport and communications, S. Pranjić for deputy minister of culture, science, and education, and Martin Raguz for deputy minister of social politics and refugees.

In addition to considering the list of Croat candidates for ministerial and deputy ministerial positions in the government of the Bosnia-Herzegovina Federation, Ivan Bender, president of the Chamber of Representatives, has announced that the report on the course of the Geneva talks, which will again be attended by the Bosnian Serbs, will be on the agenda, as well as preparations for the Bosnia-Herzegovina Constituent Assembly, scheduled for 22 June in Sarajevo. Bender also said that the final decision on personnel candidates will be made on Monday and that Croat deputies will go to Sarajevo with ready-made solutions, so it could be expected to already establish the cabinet of the Bosnia-Herzegovina Federation on Wednesday, after the prime minister and deputy prime minister have been appointed.

UN Spokesman on Blocking of Aid Convoys

AU2106153794 Paris AFP in English 1514 GMT 21 Jun 94

[Text] Sarajevo, June 21 (AFP)—Bosnian Serb authorities blocked humanitarian and UN convoys from entering Sarajevo last weekend in retaliation for the Bosnian Army's offensive in the northeastern part of the country, a UN spokesman said Tuesday [21 June]. Major Rob Annink, spokesman for the UN Protection Force (UNPROFOR) said all Serb checkpoints into Sarajevo, especially those leading to central Bosnia, were shut down from Friday to Monday. He said the measure did not completely isolate the Bosnian capital as the UN can fly in supplies and convoys have been using a mountain route that leads to the city since March. But Annink added that the Serb move was deemed serious enough for Lieutenant General Sir Michael Rose, the commander of UN troops in Bosnia, to take up the matter Tuesday with the special UN envoy to ex-Yugoslavia Yasushi Akashi.

Rose has also called for a high-level meeting between Bosnia's Serbs and Moslems Saturday to try and shore up an uneasy 11-day-old ceasefire that is showing signs of fraying.

The Serbs and Moslems have been locked in heavy fighting for five days near northeastern Mount Ozren which overlooks the region of Doboj, Ribnica and Gradaca.

Annink said UN observers deployed in the region have set up a radar to pinpoint the origin of the shelling. He said the UN had registered a threefold increase in ceasefire violations in and around Sarajevo in the last 24 hours, with one Bosnian Army soldier reported dead.

Meanwhile General Andre Soubirou, the commander of UN troops in Sarajevo, told reporters Tuesday that Serb troops were probably responsible for sniper shots over the weekend that left one person dead and three others injured in the capital. He said the shooting was apparently a reminder by the Serbs that despite a ceasefire imposed on the capital in February under the threat of a NATO strike, they still could control the city.

Serbs Reportedly Attack Zavidovici, Brcko, Bihac

AU2206100694

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 22 June within its regular 8-minute newscast carries several reports on the situation in the republic.

A report by the 3rd Corps Press Center, read by an unidentified correspondent, states that "last night about midnight, an attack began on the defense lines of (?Zavidovici) units in the region of (Sjenokos). After a battle lasting one hour, our fighters repelled a chetnik attempt to break through, inflicting great losses on them." The report further states that "the aggressor is now shelling Zavidovici districts with mortars and howitzers and the actual town of Zavidovici has been showered with (?cluster) bombs. As a result of the shelling, 19 civilians have been wounded, eight of them seriously, and there are many children among them. With equal ferocity, the chetniks pounded the Tesanj defenders' positions this morning. At unequal intervals they used howitzer and tank shells to pound (?Tesanj), [name indistinct], Kalosevici, [name indistinct], Matuzici, and Ularice. More than 30 shells have fallen on the town of Tesanj alone. Regrouping and the bringing in of chetnik reinforcements to the Tesanj-Doboj front has been observed."

Hamiz Deronjic reports that "last night, the strongest attacks by the Serbian aggressor on defense positions since the latest truce were carried out on the Brcko front." Deronjic also says that "during the night, chetnik mortars, together with antiaircraft machine-guns and antiaircraft artillery were discharged on (Ljubici) while the central section of Brcko defense was being pounded by Broving guns, submachine-guns, and portable rocket launchers." Finally, Deronjic says that "this morning, the situation at the Brcko front is marked by provocations and intensive activity by enemy snipers, particularly along the Omerbegovaca-Vranovaca line."

Mirza Sadikovic reports from the Bihac region that "last night and this morning confirmed Karadzic's [word indistinct] that a Gorazde-type situation could be repeated in the Bihac region. Namely, the amassing of chetnik forces on the (Veliki) [name indistinct] Grmusk-Srbijansko Plateau and

Grabez line has continued. About 1,500 enemy soldiers have already arrived on [words indistinct] with heavy artillery and armored vehicles."

Three Die in Serbian Shelling of Travnik

LD2106223894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2200 GMT 21 Jun 94

[Text] We have just received this report from Travnik:

[Unidentified correspondent] The Serbian aggressor was not honoring the cease-fire today either. In addition to day-long artillery and small arms provocations and unsuccessful attempts to breach our defense lines, the aggressor pounded civilian targets in Travnik from strongholds on Mt. Vlasic early this evening. Unfortunately, the victims were again civilians. According to the information available so far—it is now 2245—three persons have lost their lives, while many more have been seriously or slightly wounded.

Muslims Accused of Shelling Dobo, Teslic

LD2106213294 Belgrade TANJUG in English 2108 GMT 21 Jun 94

["Pool" item]

[Text] Dobo, June 21 (TANJUG)—Thirteen civilians, including five children, were seriously wounded, and many more received light injuries in a Moslem artillery attack on the Serb towns of Dobo and Teslic in northern Bosnia on Tuesday [21 June], Bosnian Serb military sources said. The tank and rocket shells severely damaged civilian objects in these two neighbouring towns, the sources said. Moslems started shelling the two towns several weeks ago.

Continuing to violate the Geneva Accord on a cessation of hostilities which was reached on June 8, the Moslems heavily attacked also some other Serb towns, villages and positions in the wider area of Dobo. Southeast of Dobo, on Mt. Ozren, Moslems opened mortar fire on the Serb villages of Boljanic, Karanovac and Petrovo on the left bank of the River Spreca. There were no casualties, but the shell explosions caused severe material damage to buildings.

On the Vozuca front, Moslems are firing at and shelling Serb positions and villages along all lines of separation. A Moslem troop build-up has also been observed. Moslems are also attacking Serb positions east and west of Dobo, but Serbs are abiding by the Geneva Accord and open fire only when the lives of their troops and civilians are threatened, the Bosnian Serb military sources said.

Army Attack on Dobo, Teslic Reported

AU2106182994 Belgrade Radio Beograd Network in Serbo-Croatian 1700 GMT 21 Jun 94

[Report by Zoran Grgurevic from Dobo]

[Text] Muslim forces have continued to carry out intensive attacks on all fronts around Dobo. The fiercest

attacks are taking place on the Ozren-Vozuca front, where the Muslims are trying to breach the Serbian defense lines from the direction of Zavidovici and Banovici and thereby link the Zenica and Tuzla regions. In addition to the Serbian lines, they are also targeting civilian settlements using shells of every caliber, filled with chemical agents and chlorine. In order to protect civilians, some 1,200 children of 1-15 years of age and over 1,000 old and exhausted elderly people and women have been evacuated to Mount Ozren. The tough Serbian fighters from Ozren, residents of Vozuca, are in position. They are fighting so that their families can return home.

Unfortunately, among the Muslims there are also the so-called peacekeepers. The Muslims were not only satisfied with attacks on Vozuca. After their attacks on the Teslic front failed, they turned their guns on Teslic itself and have intermittently, every hour, been shelling the city center. They have been mercilessly pounding the town since this morning and using chemical agents. The command of the army of the Serbian republic in Teslic has evidence of this. The residents are in shelters, but the damage to property is enormous. Civilian casualties have fortunately been only slight. UNPROFOR [UN Protection Force] helicopters have been carrying out reconnaissance flights on the Trebava front, east of Dobo. The visible concentration of Muslim forces from the direction of Lukavac indicates that major attacks will take place there, too.

The fighters of the army of the Serbian republic are firmly holding their lines, ready to launch counterattacks if these attacks on the headquarters of the army of the Serbian republic continue.

This afternoon, Croats, the 110th Brigade of the Croatian Defense Council from Tesanj, attacked the city center of Dobo, forcing guests visiting from the Athens district of (Halogris), Dobo's twin town, to take refuge in shelters. The shells, which are still landing on the town, have wounded three civilians, one seriously.

Muslims Reportedly Attack in Ozren, Teslic

LD2106142094 Pale Srpski Radio-Televizija Studio Sarajevo Radio in Serbo-Croatian 1300 GMT 21 Jun 94

[Report by Ozren Jorganovic, Zoran Grgurevic, and Predrag Curkovic from the Ozren, Teslic, and Vlasic battlefields]

[Excerpt] [Jorganovic] Muslims have been launching fierce attacks with strong artillery support, targeting Serb positions in Lokve on the southern part of the Vozuca front, and Jugovac and Glavica on the eastern part of the same front. However, Vozuca's legendary defenders have successfully stopped the attacks from the direction of Banovici, forcing the Islamic forces to withdraw.

[Grgurevic] Muslims are also constantly attacking along the Teslic front and shelling the town center of Teslic and residential areas in the suburbs. Major material damage has been caused by the shelling. Muslim forces have been regrouping from the direction of Gracanica

and Tuzla on the Trebava part of the front, east of Doboj. Military experts expect a fresh attack from this direction. [passage omitted]

Abdic Forces Reported Repel Army Attacks

LD2106190294 Belgrade TANJUG Domestic Service in Serbo-Croatian 1759 GMT 21 Jun 94

[Text] Petrovac, 21 Jun (TANJUG)—Radio Velkaton of Velika Kladusa this evening denied claims made last night by Muslim Radio Sarajevo that forces loyal to Alija Izetbegovic had arrived at the perimeter of the Agrokomerc agricultural complex, that they were successfully advancing towards Polje and Velika Kladusa, and that Fikret Abdic had "disappeared in an unknown direction." Radio Velkaton said that the army of the Autonomous Province of Western Bosnia is firmly in control of all separation lines and that Izetbegovic's forces "will never make it to Velika Kladusa."

The same source said that "the remnants of the 5th Corps" of the Muslim army loyal to Alija Izetbegovic this afternoon continued their fierce attacks against positions and civilian targets in the autonomous province of western Bosnia and added that the heaviest infantry clashes and mortar exchanges are taking place in the Caglica, Todorovo, and Pecigrad areas. According to the radio, these attacks were repelled without loss.

Radio Velkaton claims that units of the 5th Corps are regrouping and redeploying, which means that there will be no peace in this region for a long time to come.

Army Receiving 'Large Amounts' of Weapons

AU2106165394 Paris AFP in English 1606 GMT 21 Jun 94

[Text] Zenica, Bosnia-Herzegovina, June 21 (AFP)—A steady stream of convoys have been carrying large amounts of weapons through Croatia to Bosnia's Moslem-led army, fueling the latest offensives against Serb forces, UN and other sources said. In violation of the international arms embargo against the Bosnian belligerents, trucks loaded with light arms, anti-tank weapons and ammunition have been leaving the Croatian coast regularly for Bosnia since a Croat-Moslem federation pact was agreed in March, the sources said. The agreement to form the federation ended a year of bloody conflict between the two ethnic groups.

The sources in Zenica, headquarters of the Moslem-led Bosnian army's Third Corps, said most of the weapons were destined for the Brcko corridor in northern Bosnia—a strategic lifeline linking Serb-conquered territory in eastern and western Bosnia which UN officials fear is the next Bosnian army target.

The federation agreement also freed Moslem troops who had been deployed against the Croats to launch attacks last week on Serb positions in northeastern Bosnia. The Serbs have protested the attacks as a clear violation of a month-long ceasefire which started on June 10 and they began over

the weekend hindering aid convoys into the Moslem-majority Bosnian capital, Sarajevo, in retaliation.

"Croats from both Croatia and Bosnia are letting convoys go through in exchange for part of their cargo," a UN Protection Force (UNPROFOR) officer told AFP on condition he not be named. "They only tolerate light arms and anti-tank guns, to shift the balance of power in the Moslems' favour just a little, but not more," he said. "There's no question of heavy arms for the moment—the distrust (between the Moslems and Croats) is not about to disappear," he said.

"One thing is certain, money is no object," he said. "Suitcases full of dollars and deutschmarks enter the country every day, supplied notably by Islamic countries," the UN officer said.

A Bosnian Army officer at the Third Corps headquarters here acknowledged that his forces lacked artillery and air power, but said the weapons getting through were sufficient. "Give us modern anti-tank weapons and we will liberate our land," he told AFP.

The Bosnian Government has long called for an end to the blanket arms embargo on all former Yugoslav republics, imposed when fighting first broke out three years ago, saying it would not need proposed international aid against Serb aggression if it could defend itself properly.

The Bosnian Army has a large infantry, but is not as well equipped in heavy weaponry as the Serbs, who had access to the former Yugoslav army's arsenal. A European military expert in the region confirmed that Moslem-Croat cooperation in this field, at least, was working "very well." "Convoys pass through Croat zones without being looted outrageously, which is what often happened before," he said.

A reliable source in Zenica said 200 tonnes of Chinese arms were delivered at the end of May, including Norinco Red Arrow 8 anti-tank missiles. The arms came by air to Ancona in Italy, continuing by boat to Split on the Croatian coast before being unloaded onto 34 trucks, he said.

The convoy, fronted by four truckloads of food and escorted by Croatian police, crossed into Bosnia without difficulty. It was then handed over to Bosnian police, continuing through Visoko, Tuzla and Maoca near the Brcko corridor, he said. The European military expert said another convoy of 50 trucks, probably carrying arms, was seen at the Croat town of Prozor on the road linking the Croatian coast with central Bosnia.

An article appearing this weekend in the London-based JANE'S DEFENCE WEEKLY showed a photograph of the Red Arrow 8 missiles near the front at Gradacac. The missile has a range of 3,000 metres (yards) and can pierce armour eight centimetres (around three inches) thick.

Exchange Agreed To Aid Search for Dead, Missing

*LD2106213594 Zagreb Radio Croatia Network in
Serbo-Croatian 2000 GMT 21 Jun 94*

[Text] Representatives of the Bosnia-Herzegovina Army
and the Croatian Defense Council [HVO] have met in

Mostar. They agreed to allow up to 200 people cross
from the Muslim to the Croat bank of the Neretva. Each
side will try to locate the bodies of dead and missing
persons, and reports will be drawn up to this effect at
places where prisons and unmarked graves are still
believed to exist.

Defense Council on Tudjman's Bosnia Visit*LD2106211194 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 21 Jun 94*

[Text] We have just received a statement from today's session of the Presidential Council for Defense and National Security, which was held in the presidential palace and chaired by Dr. Franjo Tudjman, president of the Republic of Croatia.

The Council considered some questions with regard to international and internal relations, and a report on the visit of Franjo Tudjman to Bosnia-Herzegovina.

In this connection the Council assessed that, through this visit, the Republic of Croatia has provided a significant impetus to the revitalization of the Bosnia-Herzegovina federation and a confederation with Croatia, while international groups have been able to see for themselves that the Croats are implementing the Washington agreement consistently.

The prime minister, who led a Croatian delegation at an international gathering in Crans-Montana, told the Council about the numerous meetings he had at this gathering. The Croatian Government delegation won recognition during the many contacts made at the gathering for the successful maintenance of stability of the Croatian national currency, the kuna, and for the successful implementation of economic policy. Great interest was shown in the many meetings aimed at creating investments in the Republic of Croatia. The Croatian delegation also had talks on the complicated problems of transforming socially owned property into privately owned property, something facing all postcommunist countries.

The Council also considered the package of measures which the Croatian Government should implement in order to breathe life into the Bosnia-Herzegovina Federation and a confederation with Croatia. In this connection the need was expressed for constant coordination—and analysis of trends and the achievement of results in different spheres—between the Republic of Croatia and the Bosnia-Herzegovina Federation.

The Council considered some problems of transformation and privatization in Croatia, and at the proposal of the Government concluded that, because of the enhanced interest of large international companies and Croats abroad in investing in Croatia, the Council would devote one of its coming sessions to this problem alone, the statement from the president's office concludes.

Tudjman Discusses Views on Serb Issue*94BA0320A Belgrade POLITIKA in Serbo-Croatian 29 May 94 p 7*

[Article by R. Arsenic]

[Text] "We would be immediately in favor of having the Serbs in Croatia given as many rights as the Albanians have in Kosovo," Tudjman says, stating that Milosevic made a statement along those lines in the Greek *KATIMERINI*.

Zagreb, 28 May—Just before Croatian Statehood Day (30 May, when the Assembly was constituted in 1990 after the first postwar multiparty elections), Croatian President Franjo Tudjman spoke with the chief editors of the Croatian media, and long extracts from this were published in today's newspapers.

On that occasion Tudjman mostly repeated his already well-known ideas about events in the last three years—about "the Yugoslav communist army's offensive to overthrow the Croatian authorities, and not just to conquer Croatian areas as a whole"—but some of his statements in connection with solving the Serbian question in Croatia are interesting, in view of the topicality of the subject.

Stating that "a trip to Belgrade by our foreign minister had been agreed upon, but our condition for that was that it could take place when the route to Belgrade was normalized, i.e., through Okucani and by telephone," Tudjman, among other things, said the following:

"The world does not accept that the Serbs in Croatia have the right to self-determination, which they and their politicians and intellectuals are citing. The Serbs are a minority in Croatia, we have guaranteed them all the rights of an ethnic community, and we are even willing to give them territorial self-government in districts, the two districts where they had a majority even before the war, cultural autonomy within Croatia as a whole...."

Saying that "They (the Serbs) are still spreading all sorts of deceptions about the emergence of the NDH [Independent State of Croatia]," Tudjman said that Croatia was willing "for the exercise of those rights to be under the supervision of the international community."

"In discussions of the Serbian question in Croatia, people are still bringing up the NDH, with those awful figures that at least 600,000 to 700,000 Serbs were killed in Jasenovac alone. But the total number of people who died in all of Yugoslavia during World War II was not that high," Tudjman also claimed, commenting that "back in the 1950's, i.e., in Belgrade, I rebelled against those lies." He claimed that "600,000 people did not die in all of Yugoslavia during World War II, counting all the partisan, chetnik, ustashe, Home Guard losses, with all the Jasenovac, Bleiburg losses, and so forth," but that instead "The war losses were 597,000."

"Back when I wrote 'Wilderness' ['Wilderness of Historical Reality'], I did not have that fact. Go to the public, and give them those facts in all the newspapers, in order to destroy that rumor and deception, because that is the basis for the alleged justification for the

Serbian demands, fear, deception, and so forth," Tudjman commented, and so it turns out that what the ustashe did to the Serbs is not any sort of reason for fear, even though it is a fact that their goal and intention was the biological extermination of the Serbian people from the territory of the Quisling NDH.

In connection with possible trips to try to solve the Serbian question in Croatia, Tudjman continued by saying this:

"In contrast to the Martic-Mikelic tension and irrational behavior, there is a statement by Milosevic in the Athens KATIMERINI, where he said regarding a solution that the problem of the Serbs in Croatia should be solved in the same way as the problem of the Albanians in Kosovo. That is the most positive thing that has been publicly stated to date. Of course we would be immediately in favor of having the Serbs in Croatia given as many rights as the Albanians have in Kosovo."

Resolution on Serb 'Terror' for United Nations

LD2106212094 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 21 Jun 94

[Text] The Chamber of Deputies, whose 18th session is to resume on Thursday, today adopted a law on postal services and telecommunications. It postponed the adoption of amendments to the law on the sale of apartments under tenancy agreements until there has been a revision of the use of all so-called army apartments. The chamber decided to call an extraordinary session in July, at which an answer will be formulated on whether the UNPROFOR [UN Protection Forces] mandate should be extended. It was suggested that the state president be invited to this session.

The decision to convene a session in July was adopted following a debate on a resolution condemning the genocide in the form of large-scale terror and violence being perpetrated by the occupying Serbian authorities as they deny water supplies to Biograd, Zadar, and its environs.

The resolution—which will be sent to the parliaments of European countries and those of the members of the UN Security Council, the UN secretary general, and the International War Crimes Tribunal—will remind the international public of the genocide perpetrated against the Croatian people, and inform it about the situation in Biograd and its environs as they cannot get water from an area belonging to Biograd, although it is under exclusive UNPROFOR control.

UNPROFOR's indecisiveness and its soft approach to the Serbian terrorists is ever more irritating for the 30,000 people of Biograd and its 10,000 refugees, who have for three years now been suffering an unbearable shortage of water. Hence, the resolution stresses, there is a possibility of the local population demonstrating

openly their dissatisfaction at UNPROFOR's inefficiency. The assembly demands that the Croatian Government adopt energetic steps to curb further Serbian terrorism against the people of Biograd, Zadar, and its environs, and that it demand the consistent implementation of all UN Security Council resolutions and the Zagreb agreement.

Valentic Stresses Territorial Integrity

AU2206072394 Split SLOBODNA DALMACIJA in Serbo-Croatian 20 Jun 94 p 31

[HINA report: "Croatia Is Carrying Out Large-Scale Reforms"]

[Text] Crans Montana—Croatia presented itself in the plenary session of the economic meeting "Forum Universale" on Saturday [18 June]. Nikica Valentic, the prime minister, and Mate Granic and Borislav Skegro, the deputy prime ministers, addressed the issue of Croatia's economic development, its economic stabilization program, and the political situation in the country, especially the reintegration of occupied territories into Croatia.

At the beginning of his contribution Valentic pointed out that the reintegration of occupied territories into the Croatian legal system was a condition for the achievement of peace in both Croatia and Bosnia-Herzegovina, and throughout the region. He added that the Croatian Government had started working on an ambitious program of economic reforms although 25 percent of its territory was occupied.

Valentic mentioned that the GNP in Croatia was 25 billion German marks [DM]—DM5,000 per capita, which meant that Croatia was a medium-industrialized country.

Valentic said the average income in Croatia amounted to DM450 and that it should reach DM500 by the end of 1994. He said that this meant that Croatia was one of the leading countries among those that have left behind real socialism. He claimed that these were the elements for a "standby" arrangement with the International Monetary Fund that would be signed in September 1994.

He claimed that two-thirds of GNP was being exported and that Croatia would have a DM2 billion surplus in the balance of payments this year.

He said that exports would rise 17 percent and that hard currency reserves already amounted to \$1.6 billion with the likelihood of reaching \$2.3 billion by the end of the year since it was expected that the tourist season would be good.

Valentic further discussed the second stage in the implementation of the stabilization program and especially referred to the revitalization of the shipbuilding industry and reorganization of banks. He mentioned that foreigners had been increasingly investing in Croatia

adding that an agreement on a \$128 million loan would be signed with the World Bank in Washington on 23 June.

Mr. Mate Granic addressed the problem of UN Protection Zones and pointed out that the Croatian Government supported a peaceful integration of occupied territories into its legal system. He mentioned the implementation of Washington agreements, the federation of Croats and Muslims in Bosnia-Herzegovina and the confederation between Croatia and the Federation of Bosnia-Herzegovina. He expressed the hope that Croatia would become a member of the European Council by the end of the year.

Borislav Skegro referred to the implementation of the stabilization program, pointing out that the inflation rate dropped to 4 percent per year. He said that the production had not been reduced and supported an intense liberalization of the market and quick privatization.

After their presentations Valentic, Granic and Skegro answered questions asked by participants.

The Croatian prime minister prepared a dinner for the participants on Saturday evening. The "Forum Univer-sale" meeting will end on Sunday [19 June].

Commander Pledges To 'Expel Enemy'

AU2106203394 Split SLOBODNA DALMACIJA in Serbo-Croatian 20 Jun 94 p 2

[Report by D. Blazevic: "We Do Not Want To Give Up a Single Inch of Croatian Territory!"]

[Text] Sibenik—"If the enemy should even think of firing a single shell at Sibenik again, I can tell him with full responsibility that he will not fire again!" This was the message addressed by Janko Bobetko, the head of the Croatian Army General Staff, to the members of the 113th Sibenik brigade at a ceremony on the occasion of its third anniversary.

Before soldiers, officers, noncommissioned officers, and numerous guests—including Vinko Nikolic, personal envoy of the Croatian president; Josip Juras, deputy defense minister; General Ante Gotovina, commander of the Split Military Region; Admiral Sveto Letica, General Milivoj Petkovic, General Ivan Basarac, as well as the president of the County of Sibenik, and the mayor of Sibenik—Colonel Milan Perkovic, the commander of the 113th brigade, recalled the days when the Sibenik brigade was established. He mentioned that the brigade had participated in the defense of Lisane, Velika Glava and Dubravica as early as July and August 1991. He stated that the first shells against Chetniks were fired on 1 August 1991. "A real undertaking was, however, the battle for Sibenik in September 1991," he said. This already historic battle is considered the key turning point in the war for the independent Croatia. Nos Kalik was liberated in March 1992, but the liberation of Miljevacki Plateau in June 1992 is, according to Perkovic, the most

important victory achieved by the 113th brigade. The brigade was not only active in the territory of its county, it also participated in battles on the southern front, Stolovi, or the Zadar hinterland. According to Colonel Perkovic this brigade is still ready to accomplish every task assigned to it.

In his address to the soldiers, guests, and the inhabitants of Sibenik, Janko Bobetko said: "Why did the enemy choose Sibenik of all places as his aim? This is not a coincidence, this was the place where they wanted to begin the materialization of the dream of a Greater Serbia. They knew that this would be the strongest infliction on the dignity of Croatian people. They wanted to split Croatia into two parts at this point; they wanted to become masters of Sibenik. The second blow was directed at Zadar, and the third one should have been aimed at the Neretva River. Croatia would have been subjugated in this way, it would have lost its sea and its coast, it would have lost its islands and its connection to the world. They had been working on these plans for years. They waited for a favorable moment to achieve their aim. If the brave men from Sibenik and all over Croatia had not realized that that was a historic moment, if they had not been decisive, we would read in papers today: 'The Croats used to live here!' Sibenik must know that its famous history has been continued, that it has defended itself, that it has defended Croatia. If Sibenik had fallen, events would have probably unfolded in a completely different way," Bobetko said and repeated his message addressed to Martić and "his hen hawks," as he called them: "If they dared attack Sibenik—the heart of Croatia—once again, we would strike back with full force."

"We have provided irrefutable evidence that Croatia supports peaceful solutions; we have made concessions, but we have retained our national right to liberate our territory. Let us do everything in order to retain our territory, since history does not allow us to give up a single inch of our territory. We only have to decide when to do that. We shall go into this battle in order to expel the enemy from sacred Croatian territory," Bobetko concluded. In the end he said that this is a year of big historical events, during which the Croatian army and Croatian people need support and unity. Josip Juras, the deputy defense minister, added that 113th brigade was a famous elite brigade that defeated the notorious 9th Knin Corps and brought Mladic's troops to a halt.

This occasion was used to promote and award soldiers, officers and noncommissioned officers. The guests visited an exhibition of photographs by Sime Strikoman from the war itinerary of the 113th brigade. A wreath was laid on the grave of dead soldiers from the 113th brigade.

Tudjman Calls For End to 'Party Bickering'

LD2106142694 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 21 Jun 94

[Text] Croatian President Franjo Tudjman received leaders of all parliamentary parties in the presidential

palace today. All those invited attended the talks except for Stipe Mesic, president of the Croatian Independent Democrats [HND].

In compliance with his constitutional duty, stipulated in Article 94 of the Croatian Constitution, to ensure respect for the Constitution and normal functioning of state authorities, President Tudjman called on the party leaders to show respect for the results of the democratic multiparty elections and to make their actions comply with democratic parliamentary rules of behavior in bodies elected by popular vote.

President Tudjman stressed that all political parties should primarily take into consideration the basic interests of the Croatian people and the Croatian state. These interests are being expressed today through specific problems, which must be resolved within the Croatian parliament, as a legislative and political representative body. He added that time and energy should not be wasted on useless party bickering of a procedural nature.

President Tudjman called on all those present to make additional efforts to find a solution through agreement. But he stressed that the parliamentary speaker was elected legitimately and in accordance with the law, and that this can not be questioned.

The parliamentary party presidents agreed that inter-party talks should resume immediately with the aim of finding a solution through agreement, the president's office said in a statement.

Trieste 'Neofascists' Invite RSK's Mikelic

AU2106155594 Zagreb VECERNJI LIST in
Serbo-Croatian 21-22 Jun 94 p 36

[Unattributed report: "Mikelic in Trieste?"]

[Text] Ljubljana, Trieste—The speculations of the Italian right wing with Istria and Dalmatia are limitless, the Trieste correspondent of Ljubljana DELO writes. He proves this with an invitation to visit Trieste that the neofascist party's councilor Sergio Giacomelli has extended to the Petrinja usurper, Boris Mikelic [prime minister of the republic of Serbian Krajina, RSK]. The Italian Foreign Ministry rules out any possibility of Mikelic holding talks with the representatives of the Italian Government. The Italian neofascists are of the opinion that Knin has the right to self-determination and that the recognition of independence of the so-called Knin Krajina would open possibilities for the autonomy of Istria, DELO writes.

Official Views Bosnian Refugee Situation

AU2106114094 Ljubljana OSLOBODJENJE (European Edition) in Serbo-Croatian 10 Jun 94 pp 16-17

[Interview with Adalbert Rebic, head of the Office for Refugees and Displaced Persons of the Government of

the Republic of Croatia, by Lidija Krslak; place and date not given: "Open the Gate of Free Bosnia"]

[Text] Since the beginning of the aggression against Bosnia-Herzegovina and the arrival of the first wave of refugees in Croatia, the information on the number of refugees provided by Bosnia-Herzegovina differed from that provided by Croatia more often than not.

[Krslak] Although the new registering of refugees is yet to take place, how many are there in the Republic of Croatia according to the data you have? How many are in private accommodation and how many in organized accommodation, and what is the ethnic composition?

[Rebic] Since the beginning of the aggression against Bosnia-Herzegovina, hundreds of thousands of Bosnia-Herzegovina refugees have passed through Croatia, of which 250,000 are still in Croatia. The first refugees were from Herzegovinian towns and villages, as the JNA [Yugoslav National Army] violently attacked Herzegovina first. However, when Herzegovina was liberated from the Serbian JNA and the paramilitary formations, the Herzegovinian refugees immediately returned to their homes in the liberated towns and villages of western Herzegovina and the Neretva River basin. Immediately after the aggression against Herzegovina, the Serb formations attacked all the areas of Bosnia-Herzegovina, and in early April 1992, some 1,000 refugees per day who entered Croatia. The greatest number of refugees arrived during the summer of 1992, from the Banja Luka area, from Bosanska Krajina, Sarajevo, Tuzla, Zenica, and Bosanska Posavina. In June 1992, there were 280,000 refugees in Croatia. We then held an international conference in Zagreb (on 9 June) and asked for urgent aid in food and accommodation capacities. We were setting up tents, because all the facilities were already occupied. During July and August, Germany, Switzerland, and the Netherlands took 17,000 refugees to relieve the refugee situation in Croatia. In the late fall of 1992, there were about 370,000 refugees in Croatia. We were building refugee camps and restoring the former army barracks and other facilities. We still had refugees living in tents, whom we only managed to accommodate in November. Many were leaving for third countries, especially in Europe. In April 1993, we made a list of all the refugees from Bosnia-Herzegovina, and established that there were exactly 269,005 in Croatia in that month. We keep the names and other necessary information in the database that has been used by other local and foreign institutions that needed the exact number of refugees in order to provide better care. No one else was able to state data other than what we collected through the registration, which we keep in the database.

The greatest number of refugees after this registration was in February this year: 331,000 refugees. Since then, the number of refugees has been decreasing gradually: some have returned to Bosnia-Herzegovina, and some are still going to third countries. On 25 May this year, we

had 267,516 refugees, of which there are 238,516 registered and some 28,000 non-registered (this is our estimate). Some 67,000 refugees stay in organized accommodation, for which we pay 750 kunas (200 German marks [DM]) per person per month on average, and 180,000 refugees live in families or independently, for whom we pay 100 kunas (DM25) per person per month to the people who provide homes for them. We also provide food for the latter.

We allow for the possibility that among the registered there may be some who, in the meantime, went to third countries or returned to Bosnia-Herzegovina without having deregistered. We are therefore going to carry out another registration of the refugees so that we will again have the correct information on the number of refugees that will prove trustworthy both to our public and the international public. Croatia is one of the few countries that carries out these registration procedures and has accurate data regarding the number of refugees and displaced persons.

As far as the ethnic composition is concerned, about 55 percent are Bosnians of Islamic faith, and some 45 percent are Catholics, that is, Croats. However, this new registration will show the exact ratio.

[Krslak] The fact is that the number of refugees was often used as the "trump card" in the political negotiations, even in economic agreements. The manager of a certain bank has "procured" an arrangement with Kuwait, having given the figure of 70,000 Muslims in Croatia. What is your comment on such manipulations of the refugees?

[Rebic] As far as using the number of refugees in political talks or economic agreements is concerned, I cannot tell you anything, as I have no such information. Numbers of refugees and displaced persons are certainly mentioned in all the political talks; it is inevitable. After all, they are persons who are the greatest victims of the Serb aggression, of the war against Croatia and Bosnia-Herzegovina. They should be given proper accommodation and enabled to return to their homes. In that context, politics can help a great deal. I do not know of any "procured" arrangement of "a certain" bank with Kuwait. Since the name of the bank, the place, the manager's name, the time of "procuring," and other information has not been stated, I consider it to be simply a rumor. You can be sure that Kuwait would have asked me about the number of refugees before entering such "procurement." In our experience, the Arabic and Islamic humanitarian organizations were, in general, very cautious about giving humanitarian aid, and they were mainly giving it for the Muslims. Therefore, there have been no manipulations with the refugees. On the contrary, many Croatian banks, companies, and humanitarian organizations were very generous with humanitarian aid and money for the refugees from Bosnia-Herzegovina, not asking about their ethnic or religious orientation. Croatia has been the greatest benefactor to the Bosnia-Herzegovina refugees.

[Krslak] Regarding the expected return of the refugees from Croatia to their homeland, to the liberated areas, you have pointed out many times that Croatia cannot bear such refugee pressure. In Sarajevo you asked that the refugee problem be first resolved in Croatia. What suggestions do you have related to this?

[Rebic] Regarding the expected return of the refugees to Bosnia-Herzegovina, which the Bosnia-Herzegovina authorities have been insisting on, we will sign an agreement on the organized and safe return of all the refugees to Bosnia-Herzegovina with the authorities of the Federation of Bosnia-Herzegovina. We want the return of the refugees from Croatia to Bosnia-Herzegovina to be implemented soon in all the safe areas of Bosnia-Herzegovina, as has been the case with the displaced persons in Croatia. We arranged that in principle while we were in Sarajevo; the specific modes will be agreed upon in the agreement and protocol on our return. Croatia is still overburdened by refugees. It has the greatest number of refugees, that is, more than Germany. I believe that there are no more than 200,000 refugees from Bosnia-Herzegovina in Germany—I do not want to discuss how many there are from the territory of the former Yugoslavia!

[Krslak] You have recently stated that the return of the refugees to Bosnia-Herzegovina would be implemented sooner than the return of the displaced persons to the occupied territories in Croatia. What is your estimate based on, and what plans for the return to Bosnia-Herzegovina do you suggest, having met with the Bosnia-Herzegovina authorities in Sarajevo, and with Mr. Izetbegovic?

[Rebic] I said that the return of the Bosnia-Herzegovina refugees to Bosnia-Herzegovina would be implemented before the return of our displaced persons to the occupied areas, or the UNPA's [UN Protected Areas] and pink zones; namely, the return of the Bosnia-Herzegovina refugees to the free part of Bosnia-Herzegovina is already possible. Naturally, there is still the unresolved issue of the refugees from the areas of Bosnia-Herzegovina that have been occupied by the Serb Chetniks. Their eventual return will depend on the return of the displaced persons to the occupied territories of Croatia. I believe that these two segments of the problem will have to be solved together.

[Krslak] Will Croatia be able to offer the Bosnia-Herzegovina refugees the freedom of the choice to stay, as some other European countries (for instance, Sweden) have done?

[Rebic] Croatia will certainly have to keep some refugees eventually, as they will not want to return to Bosnia. Some have already found jobs in Croatia and bought or exchanged apartments or houses. It is inevitable that some refugees always stay in the country that took them in. However, not too many will stay in Croatia, because Bosnia-Herzegovina is close, and because it is difficult to get a job in Croatia. There are still some 260,000

unemployed in Croatia. This is a great problem for the reintegration of the refugees. Croatia also has 240,000 displaced persons, some of whom will also not want to return to their homes. As far as other countries are concerned, some of them will certainly keep some of the refugees, as they need workers. You can be sure that if they had as great a number of unemployed (relatively) as Croatia does, they would not even have let them into their country. At any rate, you probably know that in France, England, and some other large countries of Europe there are no more than 5,000 Bosnia- Herzegovina refugees. Only Germany (180,000), Austria (40,000), Switzerland (40,000), Slovenia (22,000), Norway (14,000), and Denmark (15,000) took a larger number of Bosnia-Herzegovina refugees.

[Krslak] Regarding the Bosnia-Herzegovina refugees, the most topical problem are the refugees from central Bosnia, who are accommodated in the Slovenian company vacation homes. Are there any chances for this

problem to be solved with a compromise between the three interested parties (the owners, your office, and the refugees)?

[Rebic] The Bosnia-Herzegovina refugees who are accommodated in the Slovenian company vacation homes will move to other refugee centers immediately after school is over.

Canadian Soldier Killed, 2 Wounded by Mine

LD2106210294 Montreal Radio Canada International in English 2030 GMT 21 Jun 94

[Excerpt] A Canadian peacekeeper was killed in Croatia today [21st June] and two others were wounded. Thirty-one year old Corporal Mark Robert Isfield of Chillawack, British Columbia, died when a landmine exploded under his armored vehicle. Thirty-one year old Sergeant Paul Macmillan of Calgary, Alberta, and 35-year old Sergeant Gregory Paul James, also of Chillawack, were injured in the explosion. [passage omitted]

Serbs Hold Army Officer Overnight*AU2106175994 Skopje VECER in Macedonian
21 Jun 94 p 4*

[Unattributed article: "Serbs 'Captured' an Army Senior Officer"]

[Text] Kriva Palanka, 21 Jun—An officer of the Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] Army was "invited" by some Serbian soldiers to come and talk on the border near Cupino Brdo, in the district of Kriva Palanka; he was then "kept" overnight at the Serbian army headquarters in the village of Surlica, on Serbian territory. This was unofficially stated by reliable sources in Kriva Palanka. On Sunday [19 June] morning the "captured" Macedonian officer was allowed to go back to the Macedonian side of the border.

The soldiers of the so-called Yugoslav Army who have taken over the strategic point of Mount Straza on Macedonian territory do not show any intention of leaving it, and in the meantime the UNPROFOR [UN Protection Forces] observers moved their headquarters to a safer place than Cupino Brdo—the village of Podrzikonj.

Foreign Ministry Calls For Talks With FRY*AU2206105894 Skopje MILS-NEWS in English 22 Jun 94*

[Unattributed report: "Foreign Ministry Protests"]

[Text] In regard to the latest incidents on the Macedonian [The Former Yugoslav Republic of Macedonia—FYROM]-Yugoslav border, involving usurping the place Cupino Brdo and imprisoning a Macedonian soldier by Serbian troops, the Macedonian Foreign Ministry sent a note of protest to the Yugoslav Foreign Ministry, against such behavior of the Yugoslav Army, which violates the Macedonian border, creating conditions for heavy consequences. At the same time, the Macedonian Foreign Ministry demanded an urgent session of the representatives of the two countries' foreign ministries, to agree on undertaking steps to definitely determine the border line. The Macedonian side underlined such negotiations would present basis for development of mutual trust, communication, and cooperation between the two nations.

U.S. Deputy Chief of Staff Arrives in Skopje*AU2206110094 Skopje MILS-NEWS in English 22 Jun 94*

[Unattributed report: "U.S. Delegation in Macedonia"]

[Text] A U.S. military delegation, led by the Deputy Chief-of-Staff of the U.S. Army, Admiral William Owens, arrived today on an official visit to Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. Admiral Owens will meet with President

Gligorov, Macedonian Army Chief-of-Staff General Dragoljub Bocinov, and UNPROFOR [UN Protection Forces] representatives.

Gligorov: Census Necessary for Building Future*AU2106180294 Skopje VECER in Macedonian
21 Jun 94 p 3*

[Text] Kiro Gligorov, president of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] gave an interview for Macedonian Television yesterday [20 June] on Census 94, answering questions and giving personal opinions and evaluations on this statistical endeavor. Following are some excerpts. Asked his opinion on the census, President Gligorov said that it was of an extreme importance, primarily as a chance to draw up a real map of Macedonia, the population count, its make-up, and what and how much of anything there is. In brief, he said that it was a chance to create a source for a lot of important data needed for a realistic examination of the present situation, which can be used in planning our future.

"I think that we have created the necessary conditions for carrying out such an activity, and I do not think that any of the sides will have any objections," President Gligorov said, adding that the census will help free the agenda of an issue of a purely statistical nature that has tended to be given political meaning. "Therefore, in my opinion," President Gligorov said, "this is a goal of essential importance for our state, for the stability and peace of our country."

Asked about the degree of politicization, in the sense of who needed the census and why, President Gligorov said that such politicization started being implemented right after the latest census in 1991, when some internal and international factors were involved, and most of all our neighbors. "That is not uncommon," Gligorov said, "if we look at the present situation in the Balkans, on the territories of former Yugoslavia, and the aspirations and historic ambitions of various countries toward Macedonia. Therefore, the census should put an end to such controversies and provide real arguments for discussions. Politicization, particularly the argument presented to the international public that far greater numbers of cert. in nationalities reside here than is actually true, conjures up an image where, if we add up all those pretentious numbers, Macedonia turns out to be a state of many millions, which everybody knows to be a notorious lie. After the census, everyone will have to face the truth."

The next question was related to our standards and our Census Law compared with the same regulations in Europe and the world. "In this feverish atmosphere among and around us, we can understand the manipulations of the number of certain nationalities. However, it is beyond understanding when some claim that our census is below European standards, because it is the only census that will be carried out according to the standards of the Council of Europe. This is the only such

case, and it is good, because after the census it will be hard to deny the results. The census can serve as an example of how things could be resolved in the boiling Balkans. It means discussing by presenting arguments, and not historic burdens and personal subjective evaluations."

At the end, President Gligorov emphasized that the census was a possibility, as was the referendum, for our people to show their attitude to the state, to do their civil duties, and thus remove from the agenda an issue that can cause a lot of misunderstanding.

Rina Klinar Appointed New Labor Minister

AU2206082594 Ljubljana Radio Slovenia Network in Slovene 0500 GMT 22 Jun 94

[Text] The State Chamber of the Slovene Parliament will continue its work today. Deputies yesterday elected Rina Klinar as the new minister of labor, family, and social welfare.

Christian Democrats Agree To Consolidate Party

AU2206103494 Ljubljana SLOVENE in Slovene 20 Jun 94 p 1

[STA report: "E. Stanic Should Remain Party Secretary"]

[Text] Ljubljana/Zgornje Pirnice—At a closed session on Saturday [18 June], the caucus of the Slovene Christian Democrats [SKD] discussed the situation in the party for several hours and, with a special conclusion, opted in favor of the party's consolidation and the majority principle in decision-making. SKD press spokesman Valentin Hajdinjak told the STA news agency after the meeting.

The party will assert the majority rule at all levels of decision-making. In this way it will pursue a uniform political policy that shall be determined through the will

of majority, the participants of the caucus—which consists of party's executive committee, its ministers and its deputies—decided. In cases where the party will not have a stance, the majority opinion within the club of deputies shall prevail. They also proposed to draw up the rules of procedure or regulations for the better work of the club of deputies and the party and, thus, fight the belief that the party is divided.

The participants of the caucus expressed disagreement with the resignation of the party's secretary general, Edvard Stanic, and urged him to withdraw his resignation. Stanic has taken time for consideration and will announce his decision at the session of the party council today.

SKD Secretary General Withdraws Resignation

AU2206103594 Ljubljana SLOVENE in Slovene 21 Jun 94 p 1

["C.R."-initialed report: "Edvard Stanic Remains SKD Secretary General"]

[Text] Ljubljana—After the talks with the council members of the Slovene Christian Democrats [SKD], Edvard Stanic has withdrawn his resignation from the post of SKD secretary general. The party's press spokesman, Valentin Hajdinjak, has reported that the SKD council had concluded that Stanic remains in his post.

Federal

Popovski Denies FYROM Borders Violated

AU2106160694 Belgrade BORBA in Serbo-Croatian 21 Jun 94 p 3

[BNA TIKER report: "Statement That the Yugoslav Army Has Been Pushed Back Is Ridiculous"]

[Text] Belgrade (BNA TIKER)—A statement by Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] Defense Minister Vlado Popovski that the Macedonian Army has pushed back the Yugoslav Army from certain posts within the FRY [Federal Republic of Yugoslavia] is more of a political statement intended for the Macedonian public than a serious approach to the normalization of relations between the two neighboring countries—TIKER has learned unofficially at the FRY Defense Ministry.

The Yugoslav Army border patrols are situated exclusively on the territory of the FRY and have not on a single occasion entered Macedonian territory. The same sources claim that the activities of the Macedonian Armed Forces have been observed in the vicinity of the border, but the Yugoslav Army will not react unless the FRY's sovereignty and territory integrity are endangered.

Yugoslavia and Macedonia do not share a state border but merely an administrative border. The border problems will be resolved when a mixed commission goes into the field and marks the border with stone markers, UNPROFOR [UN Protection Forces] in Skopje says.

An UNPROFOR observer team has already been deployed on the border crossing between the FRY and Macedonia near Kriva Palanka for 12 days. Some 10 Blue Helmets are monitoring the activity of the FRY soldiers, UNPROFOR spokesman in Skopje Elizabeth Baldwin told TIKER. Macedonia has presented its maps to us and it claims that this is its territory, Elizabeth Baldwin says. She added that Yugoslavia did not present its maps to UNPROFOR even though it was requested to do so.

Jovanovic Criticizes UN Policy in Crisis

LD1906174294 Belgrade TANJUG in English 1728 GMT 19 Jun 94

["Pool" item]

[Text] Kragujevac, Yugoslavia, June 19 (TANJUG)—Yugoslav Foreign Minister Vladislav Jovanovic said Sunday that U.N. Envoy Yasushi Akashi's statement, in which he said that the U.N. would pursue a "stick and carrot" policy towards the Federal Republic of Yugoslavia, confirmed that some members of the world organization were pursuing a partial policy.

The countries represented on the Contact Group for Bosnia-Herzegovina have a great responsibility not to

allow to be drawn again into the trap of partiality and belief that they could achieve something by pursuing the "stick and carrot" policy, Jovanovic said in a radio interview broadcast from Kragujevac in central Serbia.

Referring to hints that the new maps for Bosnia-Herzegovina's territorial division would be submitted to the warring sides as an ultimatum, Jovanovic said that this was not yet clear and that everybody should wait.

However, if it would be merely a continuation of the earlier policy of favouring the Bosnian Moslems and Croats and punishing the Serbs, then it would obviously not lead to any results, Jovanovic said.

The Contact Group is soon expected to present the maps for Bosnia's division, according to which 51 percent of the territory of Bosnia-Herzegovina would go to the Moslem-Croat federation and 49 percent to the Bosnian Serbs.

Albania 'Forcibly' Resettling Serbs, Montenegrins

LD1806173194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1329 GMT 18 Jun 94

[Text] Belgrade, 18 Jun (TANJUG)—"The report that the Albanian authorities have tried forcibly to resettle members of the Serb and Montenegrin minorities, residents of Vraca and Podgoricani, from the villages of Stari Boric and Mladi Boric, in which they have always lived, has caused great concern among the Yugoslav public. According to available information, the Albanian authorities tried to confiscate by force their houses and land, and move them to different locations," reads a statement by the Federal Foreign Ministry, which was forwarded to TANJUG today.

"What is particularly worrying is that the Albanian police used force and wounded several people, including women and children. All this has caused serious concern among members of the Serb and Montenegrin minorities and the Gorans [Slav ethnic minority], because this is yet further confirmation of the increasing pressure and the unwillingness on the part of the Albanian authorities to grant and respect the national minorities' inalienable right to their territory.

"The Federal Foreign Ministry notes with concern the fact that Albania is forcibly resettling members of the Serb and Montenegrin minorities under the pretext of a new administrative division of state territory, and is planning to settle Albanians from the areas of Dukadjin and Malesija to farms belonging to the Serbs, Montenegrins and Gorans. This is a calculated policy aimed at breaking up the territorial integrity of the ethnic Serbs, Montenegrins and Gorans in Albania, especially in the territory near the Yugoslav-Albanian border, and exerting increased physical and psychological pressure in order to speed up their systematic assimilation.

"By such action the Albanian authorities are violating basic human and civil rights, the right to physical integrity, the freedom to choose the place of abode and the inviolability of private property, which is in contravention of its obligations assumed as a member of the United Nations and the CSCE.

"The Federal Foreign Ministry calls on the Albanian authorities to stop exerting pressure on members of the Serb and Montenegrin national minorities and the Gorans, and to abandon its plan forcibly to resettle the residents of Vraca and Podgoricani. The Federal Foreign Ministry expects Albania to respect all rights of members of the Serb and Montenegrin minorities in line with relevant CSCE documents," the statement says in conclusion.

Problems of Two-Member Federation Discussed

94BA0322B Belgrade POLITIKA in Serbo-Croatian 7 Jun 94 p 9

[Article by Milenko Pesic: "Concerning Support for Strengthening the Federal State: Is Centralization Possible in the FRY?"]

[Text] Slobodan Rakitic, DEPOS [Democratic Movement of Serbia]: "The federal state has too few authorities"; academician Miodrag Jovicic: "A two-member federation has no chance of succeeding"; Dr. Pavle Nikolic: "For a unified state of Serbs and Montenegrins."

Time will tell what the future of Djindjic's idea on the need to centralize Yugoslavia is. The opposition offered in Montenegro to his support for strengthening the federal state was more than vehement.

Responding to charges by the Montenegrin political public, Zoran Djindjic said: "I do not challenge the fact that Montenegro has its own statehood and its own symbols and sovereignty. However, some questions concerning money and the economy must be separated out. There is no equality if someone gives 10 dinars and someone else gives 20 dinars, and then they have an equal voice in deciding how that money is going to be used."

Djindjic in a Rush

Many people feel that the disintegration of the SFRY [Socialist Federal Republic of Yugoslavia] first began in the monetary sphere. As soon as the stories of who was exploiting whom and who was making decisions about money began circulating, post-World War II Yugoslavia signed its own death sentence.

Two years in the life of the third Yugoslavia as a two-member federation have been enough to show that not everything in the new federal state is functioning smoothly.

Slobodan Rakitic, leader of the DEPOS caucus in the Federal Assembly, agrees that the federal state has too few authorities.

"This is evidenced by the fact that sessions of the two chambers of the Federal Assembly are very rare, while announcements that the federal government has not prepared bills for the legislature are very common. Legislative activities have been sharply curtailed, to the benefit of the member-states—Serbia and Montenegro," says Rakitic.

Rakitic feels that Djindjic was right when he raised the question of the competence of the federal state and its influence on the political and economic life of the citizens, "if one does not want this present-day state to resemble the one portrayed in the 1974 Constitution."

"Nevertheless, I think that Djindjic has rushed the whole story. It would be nice if we as a state could deal with these problems now," the head of the DEPOS caucus in the federal parliament warns.

The current federation has no chance of succeeding, academician Miodrag Jovicic believes.

"There are three reasons why the FRY [Federal Republic of Yugoslavia] cannot be effective as a federative state," this expert in constitutional law explains.

First, the theory and practice of federalism show that two-member federations have no chance of succeeding. As his second argument, Jovicic cites the differences between Serbia and Montenegro in terms of size and economic power; finally, there is the Zabljak Constitution, which contains a number of weaknesses and numerous confederal elements that were present in the former SFRY.

Way Out of Current Situation

As a strong critic of the current constitutional solution for the FRY, Jovicic warns that the supreme legal document grants privileges to Montenegro in a number of regards.

"There are two ways out of the current situation. One is to abolish the current republican and provincial borders and form a state of regions. Such a solution would be somewhere between a unitary and federal structure for the state," Jovicic emphasizes, adding that he is opposed to a unitary state.

Jovicic sees another possibility for overcoming the current discord between the two members of the federation in granting Montenegro special autonomous status, so-called *corpus separatum*, like what the Banovina of Croatia gained in 1939. "That means that Montenegro would no longer have its own constitution and president," says academician Jovicic.

Dr. Pavle Nikolic, a professor at the School of Law and federal deputy, also says that the current two-member

federation is untenable as a solution, because it does not ensure the equal rights of the federal units and the equal rights of its citizens.

"The two-member federation is fertile ground for sovereignty disputes and rivalries, which always bring forth aspirations toward confederalism on the one hand and centralism on the other hand," Nikolic stresses.

Despite the unification of Serbia and Montenegro in 1918, the post-World War II arrangement, and the constitutional solution of 1974, these two states have grown apart over the course of time, emphasizing their statehood and sovereignty.

"I support a unified state of Serbs and Montenegrins with divided democratic-political territorial autonomy, as a community of the Serbian and Montenegrin states. Through this sort of renunciation of statehood by Serbia and Montenegro, the basis for creating a unified statehood of the entire nation would be created," Nikolic believes, adding that this would avoid centralism, which is inherently undemocratic.

Kontic Says No Devaluation, No Inflation

LD1706172594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1307 GMT 17 Jun 94

[Excerpts] Belgrade, 17 Jun (TANJUG)—The dinar exchange rate and prices are stable, and hard currency black marketeering is an ephemeral phenomenon, Federal Prime Minister Radoje Kontic stressed at a news conference today.

There is no danger of the dinar falling in relation to the German mark, Kontic said, adding that prices did not rise last week.

A total price rise of 0.8 percent was recorded between 24 January and 11 June, but that period saw an unacceptable rise in the price of agricultural produce and services, Kontic said, and pointed to the need for a further reduction in prices, especially for certain products. [passage omitted]

Despite statistical indicators that there was a fall in production in May, Kontic said that industrial production has seen a 3 percent rise in relation to April, of course, excluding the production of energy, which accounts for one-fifth of production, and which fell in that period. [passage omitted]

Steady Rise in Industrial Output Reported

LD2206110094 Belgrade TANJUG in English 1035 GMT 22 Jun 94

[Text] Belgrade, June 22 (TANJUG)—Yugoslavia's industrial production has doubled since an economic economic reform programme was launched in late January. Industry, apart from the power industry, had a growth index of 205 per cent in the January-to-May period. The figures for May, for the first time in three

months, show a certain drop in the industrial production growth—6.8 per cent below the figure for April—but still a rise of 3.9 per cent. Central Bank Governor Dragoslav Avramovic, architect of the economic recovery and monetary reconstruction programme, describes the results as a remarkable success. "We may be proud, all the more so because this comes after last year's total monetary collapse and in conditions of sanctions," says Avramovic. The U.N. Security Council clamped strict economic sanctions on Yugoslavia on May 30, 1992. The industrial output dropped by 20 per cent in 1992 as against 1991 and by a further 37.3 per cent in 1993. "Credit for the revival of production goes primarily to the banks, which have been operating and giving loans in the worst of economic conditions," says Avramovic. As a result, most banks are grappling with the problem of insolvency, and the federal government and the Central Bank will soon be taking steps to consolidate the banks' position, he explains.

Serbia

Milosevic Condemns 'Biased Media Reports'

LD2006181194 Belgrade TANJUG in English 1724 GMT 20 Jun 94

["Pool" item]

[Text] Belgrade, June 20 (TANJUG)—Serbian President Slobodan Milosevic, French General Pierre-Marie Gallois and Greek poet and journalist Dimitris Analis condemned here Monday the biased media reports on the causes and protagonists of the crisis in former Yugoslavia.

The media war, which is undoubtedly being waged against our country, had helped dismember former Yugoslavia, Milosevic said during a talk with Gallois and Analis, who also comes from France where he currently lives, the presidential office said in a statement.

Milosevic and his guests, who are on a several-day visit to Yugoslavia at the invitation of the Yugoslav Government, agreed that it was a primary moral duty of all conscientious intellectuals to stand up against such manipulation with public opinion.

Gallois expressed to President Milosevic his support for the efforts Serbia and the Federal Republic of Yugoslavia are making to secure a stable peace in the territory of former Yugoslavia.

The French general, a prominent fighter against fascism in the Second World War and former chief of the French General Staff, also expressed his strong disagreement with the policy of pressures and sanctions of the international community against the Serbian people.

The resoluteness of Serbia and its citizens to persist in protecting their legitimate interests set an example to the countries which strive to equality-based relations among

states and peoples and which are determined to defend their freedom and independence, the guests from France said.

The statement said Gallois and Analis had promised Milosevic to continue to openly urge the affirmation of truth on the crisis in former Yugoslavia.

Problems With Ownership Transformation Viewed

94BA0322A Belgrade POLITIKA in Serbo-Croatian 7 Jun 94 p 11

[Article by Lj. Milisavljevic: "Shortcuts in Transformation of Social Ownership: Labor Unions Fighting for Property"]

[Text] Labor union organizations are stockholders at "Univerzal," "Metalservis," the "Institute for Foreign Languages," "IPM," "David Pajic," "Belgrade" Shoe Industry, and "Jugostroj"; comments on 57 articles of the republic's law on transformation.

The labor union organizations at seven major Belgrade enterprises have become stockholders. They have been helped in this by an expert team from the Council of the Federation of Independent Labor Unions [VSSS] of Belgrade, which in anticipation of a new law in the republic is actively monitoring the transformation taking place at 75 percent of the city's enterprises and insisting that all employees enjoy equal rights in purchasing stock.

The unions at "Univerzal" DD, "Metalservis" DD, the "Institute for Foreign Languages," "IPM," "David Pajic," "Belgrade" Shoe Industry, and "Jugostroj" have become holders of stock shares.

Fight for Equal Rights for Employees

"At our firm, 100 percent of the capital is the property of workers, while a small part is held by the union itself. Like all the other stockholders, the union too received 0.025 percent of the capital," says Toma Stanic, president of the "Univerzal" union. According to him, this is the first union organization in Serbia to become a stockholder.

At "Belgrade" Shoe Industry, 30 percent of the capital that has been sold thus far is owned by that enterprise's labor union.

The transformation of ownership is complete at 2,468 enterprises in Serbia. Employees at another 900 firms are awaiting confirmation that they have conducted transformation correctly. There are a total of 1,800 enterprises in Belgrade, while the process of changing ownership is taking place at 1,350 firms.

However, transformation is not proceeding smoothly at all firms. At the initiative of labor unions, this process has been halted over the past year at "Posavina" in

Obrenovac, at the "Dunav" transport enterprise in Belgrade, at "Metalservis," at "Dzi-ti" in Zemun, and at "Projeks" (part of the former "Prosveta").

"In August 1992, we demanded changes in the Serbian law on transformation. Among other things, we asked that 51 percent of the stock be at a discount (so-called workers shares) as well as vouchers (free shares) for all employees," explains economist Tanja Nikolic of the Belgrade union. "Since not one of the demands was adopted, we advocated that the law be implemented consistently and that the equal rights of all employees at the enterprise be respected, because the aim of certain—most often managerial—groups was to gain a controlling interest over the stock," says Tanja Nikolic.

Rest Homes for Labor Unions

According to Bogoljub Mitrovic, vice chairman of the Council of the Federation of Independent Labor Unions of Belgrade, the city's labor union has taken the transformation problem seriously and formed a team of experts that is qualified and educated in the type of transformation that is most suitable to employees.

"There is a federal law that allows transformation on the basis of the bookkeeping value of the property and payment over 10 years, and a republican one based on an estimate of the social capital. We are not satisfied with either one of these two laws and are aware that transformation based on them does not increase the capital of the enterprises, but that transformation of social ownership with changes in administrative roles increases the efficiency of decisionmaking and business on the one hand, while on the other hand inhibiting the sale of the social capital that has been built up over five decades."

A new law on transformation is being prepared in Serbia. The VSSS has submitted its own proposals and opinions.

"We provided comments on 57 articles of the existing law. The extent to which they are considered by the legislature does not depend on us very much, because we do not have our own representatives in parliament, not even a so-called 'free seat,'" says Mitrovic.

One of the proposals by the Belgrade labor union is that worker rest homes and communal dining facilities be omitted from the estimate of the total value of an enterprise's capital and that they be turned over to the union organizations for their use and administration. The belief at the city's labor union is that no one should be allowed to turn these facilities, which were built with employee contributions, into private bars.

Montenegro

Djukanovic Assesses Sanctions After UK Visit

LD1806114694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1042 GMT 18 Jun 94

[Text] Podgorica, 18 Jun (TANJUG)—Significant headway has been achieved in the talks conducted by the

Montenegrin delegation in Great Britain, because there is a growing awareness that the policy of sanctions against the Federal Republic of Yugoslavia and Montenegro is pointless, Montenegrin Prime Minister Milo Djukanovic said in his assessment of the Montenegrin delegation's visit to Great Britain. The delegation returned to Podgorica yesterday evening.

The stands of the international community—primarily the European Union—on the futility of the policy of sanctions, which have, in a way, been conveyed to the Montenegrin delegation will, according to Djukanovic, encourage a flurry of activity leading to the establishment of peace in Bosnia-Herzegovina, after which the sanctions against the Federal Republic of Yugoslavia will be alleviated.

Assessing the talks in Great Britain as extremely useful and interesting, the Montenegrin prime minister stressed that it had been mutually noted that peace in Bosnia-Herzegovina is of paramount importance, and that this will be followed by all other moves on the part of the international community.

Respect was also voiced toward the principled policies pursued by Montenegro, both in the sense of searching for a solution in the region of former Yugoslavia and of normalizing the situation in the entire area, Djukanovic said. He attaches great importance to the fact that, by making this visit, Montenegro's foreign policy, which does carry a certain amount of weight in the eyes of the international community, has announced the beginning of a new diplomatic offensive.

Kosovo

Trial of 14 Albanians Resumes

AU2206074694 Pristina KOSOVA DAILY REPORT Nr 382 in English 21 Jun 94

[Unattributed report: "First Day of Trial Against 14 Albanians in Prishtina"—issued by the Democratic League of Kosova]

[Text] The trial against 14 Albanians accused of "hostile activity" against the self-proclaimed Yugoslavia resumed yesterday at the Serbian-run District Court in Prishtina, today's BUJKU reports. The 14 Albanians have been charged of having allegedly set up the Defense Ministry of the Republic of Kosova. They are accused of two criminal offenses—"association for hostile activity" and "endangering of territorial integrity," in compliance

with Articles 136 and 116 of the Criminal Code of "FRY [Federal Republic of Yugoslavia]."

The accused: Hajzer Hajzeraj (1943), Haxhi Ferati (1949), Zaim Berisha (1949), Ejup Dragaj, Agim Krasniqi (1956), former army officers: Ibush Kelmendi (1952), Halit Rama (1949), Xhelil Rama (1940), former officers of the Territorial Defense: Sali Gitaku (1937), Bilal Syla (1965), Haset Sahiti (1959), Adem Salihaj (1950), Sylejman Hasani (1945), and Ismajl Hehmeti (1945) were brought in the court-room hand-cuffed.

The trial was interrupted on April 18, as the lawyers had lodged a request for the exclusion of the public prosecutor, Miodrag Brklac, and his deputy, Jovica Jovanovic.

All the accused were detained during September last year, and according to their lawyers they have all been tortured during the investigation procedure.

During the first day of trial two of the accused were cross-examined. Hajzer Hajzeraj, the alleged "defense minister" described the torture he underwent during the detention period. He denied the accusation and all the statements that were obtained from him under pressure and torture by the police and security.

Haxhi Ferati said in his defense that everything in the accusation was false. He also said he had been severely tortured while in detention and that confessions had been taken from him by force. The trial is to continue tomorrow.

Vojvodina

Government Blamed for VMDK's Internal Crisis

LD1706201394 Budapest Kossuth Radio Network in Hungarian 1700 GMT 17 Jun 94

[Text] According to the Democratic Community of Hungarians in Vojvodina [VMDK], the Hungarian political leadership can also be blamed for the VMDK's crisis. The VMDK Presidium's communique says that following the financial scandal that broke out some months ago, the Hungarians in Vojvodina have got into an unprecedented political crisis. There are also external reasons, namely leading Hungarian politicians, in the background of the crisis, the document reads. According to the VMDK leaders, some powerful people of the Hungarian Government made the financial support aimed for the Vojvodina Hungarians subject to a demonstration of party loyalty. The aim of the Hungarian Government politicians was to line up the VMDK, too, among the supporters of the Budapest coalition.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be

provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735, or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.